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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

JORGE PELAYO, individually, and on behalf of
other members of the general public similarly
situated;

Plaintiff,

vs.

STRETCH FORMING CORPORATION, a
California corporation; and DOES 1 through 100,
inclusive;

Defendants.

Case No.: CVRI2304773
[Consolidated with Case No. CVRI2306016]

**CLASS ACTION AND PAGA
REPRESENTATIVE ACTION**

Assigned for All Purposes to:
Honorable Harold W. Hopp
Department 1

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT**

Complaint Filed: September 5, 2023
Trial Date: None Set

1 This Joint Stipulation and Settlement Agreement (“Settlement Agreement,” “Settlement,” or
2 “Agreement”) is made and entered between Plaintiff Jorge Pelayo (“Plaintiff” or “Class
3 Representative”), on behalf of himself and all others similarly situated and the State of California
4 as a Private Attorney General pursuant to Labor Code section 2698 *et seq.*, and Defendant Stretch
5 Forming Corporation, a California corporation (“Defendant”).

6 A. DEFINITIONS

7 The following definitions are applicable to this Settlement Agreement.

8 Definitions contained elsewhere in this Settlement Agreement will also be effective:

9 1. “Action” means *Jorge Pelayo v. Stretch Forming Corporation*, Riverside
10 County Superior Court, Case Number CVRI2304773 (Consolidated with Case No. CVRI2306016).

11 2. “Attorneys’ Fees and Costs” means attorneys’ fees and costs approved by the
12 Court for Class Counsel’s litigation and resolution of this Action.

13 3. “Class Counsel” means Justice Law Corporation.

14 4. “Class List” means a complete list of all Class Members that Defendant will
15 diligently and in good faith compile from their records and provide to the Settlement Administrator.
16 The Class List will be formatted in Microsoft Office Excel and will include each Class Member’s:
17 (a) full name; (b) last-known mailing address; (c) Social Security number; and (d) dates of
18 employment and Workweeks worked in the State of California during the Class Period which will
19 be calculated by Defendant.

20 5. “Class Member(s)” or “Class” means all current and former hourly-paid or
21 non-exempt employees of Defendant within the State of California at any time during the Class
22 Period. “Class Members” shall not include any person who submits a timely and valid Request for
23 Exclusion Form. There are approximately 178 persons who fall under this definition who worked
24 about 9,935 Workweeks during the Class Period.

25 6. “Class Period” means any time during the period from August 15, 2022,
26 through March 11, 2025.

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1 7. “Class Representative Enhancement Payment” means the amount approved
2 by the Court to be paid to Plaintiff in recognition of the contributions to the Action on behalf of Class
3 Members and Eligible Allegedly Aggrieved Employees, to be paid from the Gross Settlement
4 Amount.

5 8. “Court” means the Superior Court of California, County of Riverside.

6 9. “Defendant” means Stretch Forming Corporation.

7 10. “Effective Date” means the later of the following: (a) if there are no objections
8 to the Settlement, sixty (60) calendar days after the Court serves the Parties with a notice of entry of
9 judgment or a file-stamped copy of the order granting Final Approval and entering judgment; or (b)
10 if there are objections to the Settlement, sixty (60) calendar days after the Court serves the Parties
11 with a notice of entry of judgment or a file-stamped copy of the order granting Final Approval and
12 entering judgment and all appeals have been finally resolved in favor of the Settlement. It is the
13 intention of the Parties that the Settlement shall not become effective until the Court’s Order
14 Granting Final Approval has become completely final, Judgment has been entered in accordance
15 with the terms of the Settlement, and no timely recourse remains for an appellant or objector to
16 contest the Settlement.

17 11. “Eligible Allegedly Aggrieved Employees” means all current and former
18 hourly-paid or non-exempt employees of Defendant within the State of California at any time during
19 the PAGA Period. There are approximately 178 persons who fall under this definition who worked
20 about 9,935 pay periods during the PAGA Period.

21 12. “Final Approval” means the Court order granting final approval of the
22 Agreement.

23 13. “Individual PAGA Payments” means each Eligible Allegedly Aggrieved
24 Employee’s share of twenty-five percent (25%) of the PAGA Payment. Eligible Allegedly Aggrieved
25 Employees will automatically receive their Individual PAGA Payments even if they opt out of the
26 Settlement.

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1 14. “Individual Settlement Payment” means each Class Member’s share of the
2 Net Settlement Amount. Class Members will automatically receive their Individual Settlement
3 Payments unless they opt out of the Settlement. Class Members are not required to submit claim
4 forms to receive their share of the Individual Settlement Payments.

5 15. “Gross Settlement Amount” means the sum of Three Hundred Fifty Thousand
6 Dollars (\$350,000), which is the maximum amount to be paid by Defendant pursuant to this
7 Agreement. The Gross Settlement Amount includes Individual Settlement Payments, Class
8 Representative Enhancement Payment, Attorneys’ Fees and Costs, Settlement Administration Costs,
9 and PAGA Payment as specified herein.

10 a. Defendant shall pay the employer’s share of applicable payroll taxes due on
11 the portion of Individual Settlement Payments allocated to wages separately
12 and in addition to the Gross Settlement Amount. Defendant will have no
13 obligation to pay any amount in connection with this Settlement Agreement
14 apart from the Gross Settlement Amount and employer’s share of applicable
15 payroll taxes due on the portion of Individual Settlement Payments allocated
16 to wages.

17 b. No portion of the Gross Settlement Amount will revert to Defendant.

18 16. “Net Settlement Amount” means the Gross Settlement Amount less the Class
19 Representative Enhancement Payment, Attorneys’ Fees and Costs, Settlement Administration Costs,
20 and PAGA Payment as specified in this Agreement.

21 17. “Notice of Class Action Settlement” means the notice of settlement, attached
22 hereto as **Exhibit A**, to be mailed to all Class Members upon Preliminary Approval.

23 18. “Notice Packet” means the Notice of Class Action Settlement, Objection
24 Form, and Request For Exclusion Form that will be mailed to all Class Members in English and
25 Spanish upon Preliminary Approval.

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1 19. “Objection” means any written objection to this Settlement sent by a Class
2 Member to the Settlement Administrator as specified herein and in the Notice of Class Action
3 Settlement. An Objection to Settlement must be sent to the Settlement Administrator within the time
4 limitations set forth in this Agreement. Only Class Members who do not timely and validly submit
5 a request for exclusion from the Settlement can object to the class action portion of the Settlement
6 and cannot object to the PAGA portion of the Settlement.

7 20. “Objection Form” means the form Class Members can use to submit
8 Objections regarding this Settlement to the Settlement Administrator that must be postmarked on or
9 before the Response Deadline. The Objection Form must state the: (a) case name and number; (b)
10 name of the Class Member; (c) address and telephone number of the Class Member; (e) last four
11 digits of the Class Member’s Social Security number; and (f) basis for the Objection. Class Members
12 and Eligible Allegedly Aggrieved Employees cannot use the Objection Form to object to the PAGA
13 portion of the Settlement. The Objection Form is attached hereto as **Exhibit B**, to be mailed to all
14 Class Members upon Preliminary Approval.

15 21. “PAGA” means the Labor Code Private Attorneys General Act of 2004.

16 22. “PAGA Payment” means the payment made hereunder to the California Labor
17 and Workforce Development Agency (“LWDA”) and the Eligible Allegedly Aggrieved Employees
18 for settlement of claims for civil penalties under PAGA. Eligible Allegedly Aggrieved Employees
19 will still receive their share of the PAGA Payment even if they submit valid and timely Request for
20 Exclusion Forms.

21 23. “PAGA Period” means any time during the period from August 15, 2022,
22 through March 11, 2025.

23 24. “Parties” means Plaintiff and Defendant collectively.

24 25. “Plaintiff” means Jorge Pelayo.

25 26. “Preliminary Approval” means the Court order granting preliminary approval
26 of the Agreement.

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1 27. “Released Class Claims” means any and all claims, rights, demands,
2 liabilities, and causes of action whether pled or could have been pled arising from the facts alleged
3 in the Action against Defendant during the Class Period. The Released Class Claims include claims
4 for alleged: (a) failure to pay minimum wages, contractual straight-time wages, and wages at the
5 proper regular rate of pay for all work performed; (b) failure to pay wages for off-the-clock work;
6 (c) failure to pay all overtime and double time wages (including failure to pay overtime, double-
7 time, meal/rest premiums, and/or sick time wages at the correct regular rate of pay); (d) failure to
8 provide compliant meal periods; (e) failure to provide compliant rest periods; (f) failure to pay
9 premiums (or correct premiums) for non-compliant meal and rest breaks; (g) failure to pay sick pay;
10 (h) failure to calculate the regular rate of pay to include bonuses or other incentive compensation or
11 to properly weight wage rates when calculating the regular rate of pay, bonus, and incentive pay; (i)
12 failure to pay wages due at termination and during employment; (j) failure to provide accurate,
13 itemized wage statements; (k) failure to pay employees two times per month or timely during
14 employment; and (l) all claims under Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226,
15 226(a), 226(b), 226.3, 226.7, 227.3, 246, 432.5, 432.6, 510, 512, 512(a), 515, 551, 552, 558, 1030,
16 1031, 1032, 1033, 1034, 1174(d), 1194, 1197, 1197.1, 1198, 1198.5, 2800, 2801, and 2802, as well
17 as claims for unfair competition/unfair business practices pursuant to the Unfair Competition Laws,
18 Business & Professions Code sections 17200, *et seq.* based on any of the foregoing alleged
19 failures/claims. The Released Class Claims also expressly encompasses a release by the Class
20 Members of claims under the Fair Labor Standards Act based on the same conduct/primary rights as
21 those alleged in the Action. Defendant shall be entitled to the Released Class Claims occurring only
22 during the Class Period and during such time when the Class Members were classified as hourly-
23 paid or non-exempt employees.

24 a. The Released Class Claims exclude claims for vested benefits, wrongful
25 termination, unemployment insurance, disability, social security, and
26 workers’ compensation.

27 b. The Class Members will not release their claims for wages if they submit valid
28 and timely Request for Exclusion Forms.

1 28. “Released PAGA Claims” means any and all claims, rights, demands,
2 liabilities, and causes of action whether pled or could have been pled arising from the facts alleged
3 in the Actions against Defendant during the PAGA Period. The Released PAGA Claims that will
4 bind Plaintiff and State of California include claims for alleged: (a) failure to pay minimum wages,
5 contractual straight-time wages, and wages at the proper regular rate of pay for all work performed;
6 (b) failure to pay wages for off-the-clock work; (c) failure to pay all overtime and double time wages
7 (including failure to pay overtime, double-time, meal/rest premiums, and/or sick time wages at the
8 correct regular rate of pay); (d) failure to provide compliant meal periods; (e) failure to provide
9 compliant rest periods; (f) failure to pay premiums (or correct premiums) for non-compliant meal
10 and rest breaks; (g) failure to pay sick pay; (h) failure to calculate the regular rate of pay to include
11 bonuses or other incentive compensation or to properly weight wage rates when calculation the
12 regular rate of pay, bonus, and incentive pay; (i) failure to pay wages due at termination and during
13 employment; (j) failure to provide accurate, itemized wage statements; (k) failure to pay employees
14 two times per month or timely during employment; and (l) all claims under Labor Code sections
15 201, 202, 203, 204, 210, 218.5, 221, 226, 226(a), 226(b), 226.3, 226.7, 227.3, 246, 432.5, 432.6,
16 510, 512, 512(a), 515, 551, 552, 558, 1030, 1031, 1032, 1033, 1034, 1174(d), 1194, 1197, 1197.1,
17 1198, 1198.5, 2800, 2801, and 2802, as well as claims for unfair competition/unfair business
18 practices pursuant to the Unfair Competition Laws, Business & Professions Code sections 17200, *et*
19 *seq.* based on any of the foregoing alleged failures/claims.

20 a. The Eligible Aggrieved Employees may not opt out of PAGA portion of the
21 settlement.

22 b. Under PAGA, “an ‘aggrieved employee’ may bring a civil action personally
23 and on behalf of other current or former employees to recover civil penalties
24 for Labor Code violations.” (*Arias v. Superior Court* (2009) 46 Cal.4th 969,
25 980.) A plaintiff suing under PAGA, “does so as the proxy or agent of the
26 state’s labor law enforcement agencies,” and, as such, “represents the same
27 legal right and interest as state labor law enforcement agencies” (*Id.* at p.
28 986.) Of any civil penalties recovered, seventy-five percent (75%) goes to the

1 LWDA, and the remaining twenty-five percent (25%) is allocated to the
2 aggrieved employees. (*Arias v. Superior Court, supra*, 46 Cal.4th at pp. 980-
3 981.)

- 4 c. A judgment in a PAGA action “binds not only that [plaintiff] employee but
5 also the state labor law enforcement agencies.” (*Arias v. Superior Court,*
6 *supra*, 46 Cal.4th at p. 986.) Furthermore, “[b]ecause an aggrieved
7 employee’s action under [PAGA] functions as a substitute for an action
8 brought by the government itself, a judgment in that action binds all those,
9 including nonparty aggrieved employees, who would be bound by a judgment
10 in an action brought by the government.” (*Ibid.*) “Accordingly, with respect
11 to the recovery of civil penalties, nonparty employees as well as the
12 government are bound by the judgment in an action brought under [PAGA]
13” (*Ibid.*)

14 29. “Released Parties” means Defendant together with its owners, shareholders,
15 officers, directors, employees, agents, predecessors, successors, and legally affiliated entities.

16 30. “Request for Exclusion Form” means a timely written request by a Class
17 Member to be excluded from the Settlement. The Request for Exclusion Form must: (a) set forth the
18 name, address, telephone number and last four digits of the Social Security number of the Class
19 Member requesting exclusion; (b) be signed by the Class Member; (c) be returned to the Settlement
20 Administrator; (d) clearly state the Class Member does not wish to be included in the Settlement;
21 and (e) be postmarked on or before the Response Deadline. Class Members and Eligible Allegedly
22 Aggrieved Employees cannot use the Request for Exclusion Form to exclude themselves from the
23 PAGA portion of the Settlement. The Request for Exclusion Form is attached hereto as **Exhibit C**,
24 to be mailed to all Class Members upon Preliminary Approval.

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1 31. “Response Deadline” means the deadline by which Class Members must
2 postmark to the Settlement Administrator Request for Exclusion Forms or Objection Forms. The
3 Response Deadline will be sixty (60) calendar days from the initial mailing of the Notice Packet by
4 the Settlement Administrator. If the sixtieth (60th) day falls on a Sunday or Federal holiday, the
5 Response Deadline will be extended to the next day on which the U.S. Postal Service is open.

6 32. “Settlement Administrator” means ILYM Group, Inc. that will work with the
7 Parties to administer this Settlement. The Parties each represent they do not have a financial interest
8 in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator
9 that could create a conflict of interest.

10 33. “Settlement Administration Costs” includes all costs payable to the
11 Settlement Administrator for administering this Settlement. This includes, but is not limited to: (a)
12 translating, printing, distributing, remailing (if necessary), and tracking notice and other documents
13 (*e.g.*, Objection Forms, Request for Exclusion Forms received) for this Settlement; (b) calculating
14 and distributing all payments to be made pursuant to this Settlement; (c) sending Class Members
15 and Eligible Allegedly Aggrieved Employees reminder postcards for uncashed settlement checks;
16 (d) setting up the interest-bearing Qualified Settlement Fund (“QSF”); (e) providing any funds
17 remaining in the QSF as a result of uncashed settlement checks to the State Controller’s Unclaimed
18 Property Fund; (f) tax reporting; and (g) providing necessary reports and declarations as requested
19 by the Parties.

20 34. “Workweek(s)” means the number of calendar weeks the Class Member and
21 Eligible Allegedly Aggrieved Employee worked as an hourly-paid or non-exempt employee in the
22 State of California during the Class Period and PAGA Period, respectively. Workweeks will be based
23 on hire dates, last dates worked or separation dates (as applicable) and rehire dates (as applicable)
24 and may exclude periods when the Class Member did not work.

25 35. “Workweek Value for Class Members” means the value of each compensable
26 Workweek by Class Members, as determined by the formula set forth in herein below.

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1 36. “Workweek Value for Eligible Allegedly Aggrieved Employees” means the
2 value of each compensable Workweek by Eligible Allegedly Aggrieved Employees, as determined
3 by the formula set forth herein below.

4 **B. TERMS OF AGREEMENT**

5 37. Gross Settlement Amount. The Gross Settlement Amount of Three Hundred
6 Fifty Thousand (\$350,000) will be used to pay the: (a) Attorneys’ Fees and Costs; (b) Class
7 Representative Enhancement Payment; (c) Settlement Administration Costs; (d) PAGA Payment;
8 and (e) Individual Settlement Payments.

9 38. Attorneys’ Fees and Costs. Class Counsel will seek an award of Attorneys’
10 Fees and Costs of no more than One Hundred Twenty-Two Thousand Five Hundred Dollars
11 (\$122,500) in attorney’s fees (35% of the Gross Settlement Amount) and no more than Twenty-Five
12 Thousand Dollars (\$25,000) in documented and reimbursable attorneys’ costs, and Defendant agrees
13 not to oppose such application. All Attorneys’ Fees and Costs will be paid from the Gross Settlement
14 Amount. Plaintiff and Class Counsel will not have the right to revoke this Settlement if the Court
15 fails to approve the sum of Attorneys’ Fees and Costs sought by Class Counsel. Any portion of the
16 Attorneys’ Fees and Costs not awarded to Class Counsel will be added to the Net Settlement Amount.
17 The Settlement Administrator will issue to Class Counsel an IRS Form 1099 with respect to the
18 awarded Attorneys’ Fees and Costs.

19 39. Class Representative Enhancement Payment. Plaintiff will apply to the Court
20 for the Class Representative Enhancement Payment of no more than Ten Thousand Dollars (\$10,000)
21 for the efforts and work in prosecuting the Action on behalf of Class Members and Eligible Allegedly
22 Aggrieved Employees, and Defendant agrees not to oppose such application. The Class
23 Representative Enhancement Payment will be paid from the Gross Settlement Amount. The Class
24 Representative Enhancement Payment will be in addition to Plaintiff’s right to the Individual
25 Settlement Payments available to Class Members (including Plaintiff) pursuant to this Settlement.
26 Plaintiff will be solely and legally responsible to pay any and all applicable taxes on the Class
27 Representative Enhancement Payment and will hold Defendant harmless from any claim or liability
28 for taxes, penalties, or interest arising from this payment. Plaintiff will not have the right to revoke

1 this Settlement if the Court fails to approve the amount sought by Plaintiff as the Class
2 Representative Enhancement Payment. Any portion of the Class Representative Enhancement
3 Payment not awarded to Plaintiff will be added to the Net Settlement Amount. The Settlement
4 Administrator will issue to Plaintiff an IRS Form 1099 with respect to the awarded Class
5 Representative Enhancement Payment.

6 40. Settlement Administration Costs. The Settlement Administrator will be paid
7 for the reasonable costs of administration of the Settlement and distribution of payments in an
8 amount currently estimated to be approximately Ten Thousand Dollars (\$10,000). These costs,
9 which will be paid from the Gross Settlement Amount, will include, *inter alia*: (a) translating,
10 printing, distributing, remailing (if necessary), and tracking the Notice Packets and other documents
11 (*e.g.*, Objection Forms, Request for Exclusion Forms received) for this Settlement; (b) calculating
12 and distributing all payments to be made pursuant to this Settlement; (c) sending Class Members
13 and Eligible Allegedly Aggrieved Employees reminder postcards for uncashed settlement checks;
14 (d) setting up the interest-bearing QSF; (e) providing any funds remaining in the QSF as a result of
15 uncashed settlement checks to the State Controller's Unclaimed Property Fund; (f) tax reporting;
16 and (g) providing necessary reports and declarations as requested by the Parties. All the Settlement
17 Administration Costs shall be paid from the Gross Settlement Amount upon completion of all duties
18 required to be performed by the Settlement Administrator under the terms of this Settlement or
19 required by the Court. Any portion of the Settlement Administration Costs not awarded to the
20 Settlement Administrator will be added to the Net Settlement Amount.

21 41. PAGA Payment. Twenty-Five Thousand Dollars (\$25,000) shall be allocated
22 from the Gross Settlement Amount for settlement of claims for civil penalties under PAGA. The
23 Settlement Administrator shall pay seventy-five percent (75%) the PAGA Payment (\$18,750) to the
24 LWDA and twenty-five percent (25%) of the PAGA Payment (\$6,250) to Eligible Allegedly
25 Aggrieved Employees, on a pro rata basis, as described in this Agreement. Each Eligible Allegedly
26 Aggrieved Employee's portion of the PAGA Payment will be part of his or her Individual PAGA
27 Payment. Eligible Allegedly Aggrieved Employees will receive their portion of the PAGA Payment
28 even if they submit valid and timely Request for Exclusion Forms.

1 42. Individual Settlement Payment Calculations. Individual Settlement Payments
2 to Class Members will be calculated and apportioned from the Net Settlement Amount based on the
3 number of Workweeks a Class Member worked during the Class Period.

4 a. The Settlement Administrator and Defendant will calculate the total number
5 of Workweeks worked by each Class Member during the Class Period and
6 aggregate total Workweeks worked by all Class Members during the Class
7 Period pursuant to paragraph 34.

8 b. To determine the estimated Individual Settlement Payments, the Settlement
9 Administrator will use the following formula: Net Settlement Amount will be
10 divided by the aggregate total number of Workweeks worked by all Class
11 Members during the Class Period, resulting in the Workweek Value for Class
12 Members. Each Class Member's Individual Settlement Payment will then be
13 calculated by multiplying each individual Class Member's total number of
14 Workweeks worked by the Workweek Value for Class Members.

15 c. The entire Net Settlement Amount will be disbursed as Individual Settlement
16 Payments to Class. If there are any valid and timely Request for Exclusion
17 Forms from Class Members, the Settlement Administrator shall
18 proportionately increase the Individual Settlement Payment for each Class
19 Member according to the number of Workweeks worked so that the amount
20 distributed to the Class equals one hundred percent (100%) of the Net
21 Settlement Amount. If there are any valid and timely disputes by Class
22 Members as to the information in the Notice Packets that increases the
23 Workweek Value for one or more Class Members, the Settlement
24 Administrator shall proportionately decrease the Individual Settlement
25 Payment for each Class Member according to the number of Workweeks
26 worked so that the amount distributed to the Class equals one hundred percent
27 (100%) of the Net Settlement Amount. All interest accrued from Defendant's
28 payment into the QSF during the funding process and through distribution

will be added to the Net Settlement Amount, and the Individual Settlement Payments will be proportionally increased on a pro rata basis.

- d. All Individual Settlement Payments will be allocated as follows: (i) twenty-five percent (25%) as wages; and (ii) seventy-five percent (75%) as non-wage payments, including expense reimbursements, interest, and penalties. All interest accrued from Defendant's payment into the QSF during the funding process and through distribution will be added to the Net Settlement Amount, and Individual Settlement Payments will be proportionally increased on a pro rata basis. The Settlement Administrator will be responsible for issuing to Class Members an IRS Form W-2 for amounts deemed wages and IRS Form 1099 for the portions allocated to non-wage payments, including expense reimbursements, interest, and penalties.

43. Individual PAGA Payment Calculations. Individual PAGA Payments to Eligible Allegedly Aggrieved Employees will be calculated and apportioned from the twenty-five percent (25%) of the PAGA Payment (\$6,250) based on the number of Workweeks an Eligible Allegedly Aggrieved Employee worked during the PAGA Period.

- a. The Settlement Administrator and Defendant will calculate the total number of Workweeks worked by each Eligible Allegedly Aggrieved Employees during the PAGA Period and aggregate total number of Workweeks worked by all Eligible Allegedly Aggrieved Employees during the PAGA Period pursuant to paragraph 34.
- b. To determine the estimated Individual PAGA Payments, the Settlement Administrator will use the following formula: \$6,250 (25% of the PAGA Payment) will be divided by the aggregate total number of Workweeks worked by all Eligible Allegedly Aggrieved Employees during the PAGA Period, resulting in the Workweek Value for Eligible Allegedly Aggrieved Employees. Each Eligible Allegedly Aggrieved Employee's Individual PAGA Payment will be then calculated by multiplying each individual Eligible

1 Allegedly Aggrieved Employee's total number of Workweeks worked by the
2 Workweek Value for Eligible Allegedly Aggrieved Employees.

3 c. If there are any valid and timely disputes by Eligible Allegedly Aggrieved
4 Employees as to the information in the Notice Packets that increases the
5 Workweek Value for one or more Eligible Allegedly Aggrieved Employees,
6 the Settlement Administrator shall proportionately decrease the Individual
7 PAGA Payment for each Eligible Allegedly Aggrieved Employee according
8 to the number of Workweeks worked so that the amount distributed to the
9 Eligible Allegedly Aggrieved Employees equals Six Thousand Two Hundred
10 Fifty Dollars (\$6,250).

11 d. All Individual PAGA Payments will be allocated as one hundred percent
12 (100%) penalties. The Settlement Administrator will be responsible for
13 issuing Eligible Allegedly Aggrieved Employees an IRS Form 1099 if the
14 Eligible Allegedly Aggrieved Employee's Individual PAGA Payment exceeds
15 \$600.

16 44. No Credit Toward Benefit Plans. The Individual Settlement Payments made
17 to Class Members under this Settlement, as well as any other payments made pursuant to this
18 Settlement, will not be utilized to calculate any additional benefits under any benefit plans to which
19 any Class Members may be eligible. This includes but is not limited to: (a) profit-sharing plans; (b)
20 bonus plans; (c) 401(k) plans; (d) stock purchase plans; (e) vacation plans; (f) sick leave plans; (g)
21 PTO plans; and (h) any other benefit plan.

22 45. Delivery of the Class List. Within fourteen (14) calendar days of entry of the
23 Court's Order Granting Preliminary Approval, Defendant will provide the Class List to the
24 Settlement Administrator. The Settlement Administrator shall keep the Class List confidential and
25 shall not provide any of the sensitive personal information (including Class Members' contact
26 information or full/partial Social Security numbers) to Class Counsel.

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1 46. Confirmation of Contact Information in the Class List. Prior to mailing, the
2 Settlement Administrator will perform a search based on the National Change of Address Database
3 for information to update and correct for any known or identifiable address changes.

4 47. Notice by First-Class U.S. Mail. Within fourteen (14) calendar days after the
5 Settlement Administrator receives the Class List from Defendant, the Settlement Administrator will
6 mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current,
7 known mailing addresses identified in the Class List.

8 48. Undeliverable Notices. Any Notice Packets returned to the Settlement
9 Administrator as non-deliverable on or before the Response Deadline will be sent promptly via
10 regular First-Class U.S. Mail to the forwarding address affixed thereto, and the Settlement
11 Administrator will indicate the date of such remailing on the Notice Packet. If no forwarding address
12 is provided, the Settlement Administrator will promptly attempt to determine the correct address
13 using an Accurint search/skip-trace and will perform a single remailing.

14 49. Disputed Information in the Notice Packets. Class Members may dispute the
15 information provided in their Notice Packets. If Class Members dispute their employment dates or
16 the number of Workweeks worked, they can produce evidence to the Settlement Administrator
17 showing such information is inaccurate. The Settlement Administrator will advise the Parties of such
18 dispute, allow Defendant five (5) business days to respond with any additional information or
19 records, and then decide the dispute. Defendant's records will be presumed correct, but the
20 Settlement Administrator will evaluate the evidence submitted by the Class Member and Defendant.
21 The Settlement Administrator will make the final decision as to the merits of the dispute.

22 50. Request for Exclusion Forms. Any Class Member wishing to opt-out from the
23 Settlement must sign and postmark a valid and timely written Request for Exclusion Form to the
24 Settlement Administrator within the Response Deadline. The postmark date will be the exclusive
25 means to determine whether a Request for Exclusion Form is timely. The Parties and their counsel
26 will not solicit or encourage any Class Member, directly or indirectly, to opt out of the Settlement.
27 A Class Member who properly submits a valid and timely request to be excluded from the Action
28 will not receive an Individual Settlement Payment, will not be bound by the class action releases of

1 the Settlement, and will not have standing to object to the Settlement. A Request for Exclusion Form
2 must be mailed to the Settlement Administrator at the address provided in the Notice Packet. The
3 Settlement Administrator will promptly transmit the Request for Exclusion Forms to the Parties'
4 counsel but shall redact all personal contact information (such as Class Members' contact
5 information and full or partial Social Security numbers) prior to providing the form to Class Counsel.
6 Class Counsel will include all Request for Exclusion Forms received with the motion for Final
7 Approval of the Settlement.

8 a. PAGA Portion of the Settlement. A Class Member who properly submits a
9 valid and timely request to be excluded from the Action will still receive his
10 or her Individual PAGA Payment if he or she is also an Eligible Allegedly
11 Aggrieved Employee. A Class Member will still be bound by the PAGA
12 portion of this Settlement even if he or she submits a valid and timely request
13 to be excluded.

14 b. Defective Submissions. If a Class Member's Request for Exclusion Form is
15 defective as to the requirements listed herein, that Class Member will be given
16 an opportunity to cure the defect(s). The Settlement Administrator will mail
17 the Class Member a curative letter within three (3) business days of receiving
18 the defective submission to advise the Class Member his or her submission is
19 defective and that the defect must be cured to render the Request for
20 Exclusion Form valid. The Class Member will have until the later of: (i) the
21 Response Deadline; or (ii) fifteen (15) calendar days from the date of the
22 curative letter, whichever date is later, to postmark a revised Request for
23 Exclusion Form. If the revised Request for Exclusion Form is not postmarked
24 within that period, it will be deemed untimely.

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- 1 c. Settlement Terms Bind All Class Members Who Do Not Opt-Out. Any Class
2 Member who does not affirmatively opt out of the Settlement by submitting
3 a timely, complete, and valid Request for Exclusion Form will be bound by
4 all its terms, including those pertaining to the Released Claims, as well as any
5 Judgment that may be entered by the Court if it grants Final Approval.

6 51. Objection Procedures. The Notice Packet shall state Class Members who wish
7 to object to the Settlement may do so by submitting an Objection Form to the Settlement
8 Administrator by the Response Deadline. The postmark date of the filing and service will be deemed
9 the exclusive means for determining whether the Objection is timely. The Settlement Administrator
10 will promptly provide any Objection Form to the Parties' counsel upon receiving them and will
11 disclose and describe the Objection Form(s) in a supporting declaration. Class Counsel will include
12 all Objections received and the response(s) with the Final Approval motion. Class Members have
13 the right to have their Objections heard at the Final Approval Hearing. The Class Members are not
14 required to appear at the Final Approval Hearing to have their Objections considered. Class Counsel
15 will not represent any Class Members with respect to any such Objections to this Settlement. Any
16 Class Members who request exclusion from the Settlement will not have standing to object to the
17 Settlement. If a Class Member objects to the Settlement, the Class Member will remain a member
18 of the Class. If the Court approves this Settlement, the objecting Class Member will be deemed a
19 Class Member and be bound by the terms of the Settlement and Final Approval Hearing in the same
20 way and to the same extent as a Class Member who did not object.

- 21 a. PAGA Portion of the Settlement. Class Members and Eligible Allegedly
22 Aggrieved Employees cannot object to the PAGA portion of the Settlement.

23 52. Settlement Administrator Reports. After the mailing of the Notice Packet, the
24 Settlement Administrator will provide the Parties' counsel a weekly report of the number of Class
25 Members who have submitted valid Request for Exclusion Forms, Objection Forms, and disputes
26 regarding Workweeks worked calculations. The Settlement Administrator will also provide the
27 Parties' counsel any updated reports regarding the administration of the Settlement Agreement as
28 needed or requested.

1 53. Limited Disclosures to Class Members/Eligible Allegedly Aggrieved
2 Employees Prior to Preliminary Approval. The Parties and their counsel agree that they will not issue
3 any press releases, initiate any contact with the press, respond to any press inquiry, or have any
4 communication with the press about this case and/or the fact, amount, or terms of the settlement at
5 any time. Any communication about the settlement to Class Members or Eligible Allegedly
6 Aggrieved Employees prior to the court-approved mailing will be limited to a statement that a
7 settlement has been reached and the details will be communicated in a forthcoming Court-approved
8 notice. The Parties and their counsel agree that they will not directly or indirectly discourage
9 participation in the settlement by any Class Member, except for those Class Members who have been
10 retained Class Counsel prior to March 11, 2025.

11 54. Preliminary Approval Hearing. Plaintiff will obtain a hearing before the Court
12 to request the Preliminary Approval of the Settlement Agreement and entry of a Preliminary
13 Approval Order which is attached hereto as **Exhibit D** for the: (a) conditional certification of the
14 Class for settlement purposes only; (b) preliminary approval of the Settlement Agreement; and (c)
15 setting a date for the Final Approval Hearing. The Preliminary Approval Order will provide for the
16 Notice Packet to be sent to all Class Members as specified herein. In conjunction with the
17 Preliminary Approval Hearing, Plaintiff will submit this Settlement Agreement, which will include
18 the Notice Packet. Class Counsel shall be responsible for timely and properly submitting all copies
19 of the Settlement and Motion for Preliminary Approval, and providing notice of the Preliminary
20 Approval Hearing, to the LWDA as required to effectuate settlement of PAGA claims. The Motion
21 for Preliminary Approval shall be accompanied by a declaration from Class Counsel confirming
22 these submissions and attaching receipts/proof of submission of the same. Class counsel agrees to
23 file preliminary approval within thirty (30) calendar days of Defendant's execution of the Settlement
24 Agreement.

25 55. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration
26 of the deadlines to postmark Request for Exclusion Forms or Objection Forms to the Settlement
27 Agreement, the Final Approval Hearing will be conducted to determine the Final Approval of the
28 Settlement Agreement and amounts payable under this Settlement. Class Counsel will draft all the

1 documents necessary to obtain Final Approval. Class Counsel will also draft the attorneys' fees and
2 costs application to be heard at the Final Approval Hearing. The Final Approval Hearing will not be
3 held earlier than thirty (30) calendar days after the Response Deadline. Class Counsel shall be
4 responsible for timely and properly submitting all copies of the Settlement and the Motion for Final
5 Approval, and providing notice of the Final Approval Hearing, to the LWDA as required to effectuate
6 settlement of PAGA claims. The Motion for Final Approval shall include a declaration from Class
7 Counsel confirming these submissions and attaching receipts/proof of submission of the same.

8 56. Judgment and Continued Jurisdiction. Upon Final Approval or after the Final
9 Approval Hearing, the Parties will present the Judgment to the Court for its approval which is
10 attached hereto as **Exhibit E**. After entry of the Judgment, the Court will have continuing jurisdiction
11 pursuant to California Code of Civil Procedure section 664.6 to address: (a) the interpretation and
12 enforcement of the terms of the Settlement; (b) settlement administration matters; (c) enforce the
13 performance of the settlement in full of the terms of the settlement; and (d) such post-Judgment
14 matters as may be appropriate under court rules or as set forth in this Settlement.

15 57. Funding of the Gross Settlement Amount. Defendant will make a single
16 payment of Three Hundred Fifty Thousand Dollars (\$350,000) into the QSF within thirty (30)
17 calendar days of the Effective Date or March 12, 2026, whichever date is later. The Settlement
18 Administrator will notify Defendant's counsel of the account information to which Defendant will
19 wire the Gross Settlement Amount into the QSF. Upon establishing the QSF, the Settlement
20 Administrator will maintain the fund through preliminary approval, the settlement administration,
21 final approval, and fund distribution process.

22 58. Distribution and Timing of Payments. Within fourteen (14) calendar days of
23 Defendant funding of the Gross Settlement Amount, the Settlement Administrator will issue
24 payments to: (a) all Class Members who have not submitted a valid and timely Request for Exclusion
25 Form, including any Class Member whose notice was returned as undeliverable; (b) Eligible
26 Allegedly Aggrieved Employees; (c) Plaintiff; (d) Class Counsel; and (e) LWDA. The Settlement
27 Administrator will also issue a payment to itself for Court-approved services performed in
28 connection with the Settlement.

1 59. Payment of Individual Settlement Payments and Individual PAGA Payments.

2 The Settlement Administrator will pay Individual Settlement Payments from the Net Settlement
3 Amount to all Class Members who do not request timely exclusion. The Settlement Administrator
4 will also pay Individual PAGA Payments from the twenty-five percent (25%) portion of the PAGA
5 Payment to all Eligible Allegedly Aggrieved Employees. The Settlement Administrator will pay the
6 Individual Settlement Payments and Individual PAGA Payments by sending a check in the
7 appropriate amount to the Class Members and Eligible Allegedly Aggrieved Employees at the
8 address indicated in the Class List provided by Defendant, or as later determined by the Settlement
9 Administrator to be correct.

10 60. Uncashed Settlement Checks. Class Members will receive checks for their

11 Individual Settlement Payments and Individual PAGA Payments. Checks will remain negotiable for
12 one hundred eighty (180) calendar days. Any check not cashed within one hundred eighty (180)
13 calendar days will be void, and the funds from the uncashed checks shall be distributed by the
14 Settlement Administrator to the State Controller's Unclaimed Property Fund in the name of the Class
15 Member/Eligible Allegedly Aggrieved Employees. The Settlement Administrator shall provide the
16 Parties' counsel a declaration of deposit with the State Controller's Unclaimed Property Fund. Any
17 costs associated with administering the remaining funds under this paragraph or payments to the
18 State Controller's Unclaimed Property Fund will be deducted before the deposit into the State
19 Controller's Unclaimed Property Fund.

20 61. Administration of Taxes by Settlement Administrator. The Settlement

21 Administrator will be responsible for issuing Plaintiff, Class Members, and Class Counsel tax forms
22 as may be required by law for all amounts paid and will be responsible for forwarding all taxes and
23 penalties to the appropriate government authorities as may be required by law.

24 62. Tax Liability. Defendant makes no representation as to the tax treatment or

25 legal effect of the payments called for hereunder, and Plaintiff and Class Members are not relying
26 on any statement, representation, or calculation by Defendant or by the Settlement Administrator in
27 this regard. Plaintiff and Class Members understand and agree they will be solely responsible for the
28 payment of any taxes and penalties assessed on the payments described herein and will defend,

1 indemnify, and hold Defendant free and harmless from and against any claims resulting from
2 treatment of such payments as non-taxable damages.

3 63. Plaintiff's Complete and General Release. Upon the Effective Date, Plaintiff
4 and his former and present spouses, representatives, agents, attorneys, heirs, administrators,
5 successors, and assigns generally release and discharge the Released Parties from any and all known
6 and unknown claims, transactions, or occurrences that occurred during the Class Period, including,
7 but not limited to: (a) all claims that were, or could have been, alleged based on the facts contained
8 in the operative complaints; (b) all PAGA claims that were, or could have been, alleged based on
9 facts contained in the written notice sent to the LWDA; (c) all claims of arising from his employment
10 relationship, or termination of his employment relationship, with Defendant; and (d) any known and
11 unknown claims of any nature arising from any act or omission occurring prior to the Effective Date.
12 Plaintiff's Complete and General Release does not extend to any claims or actions to enforce this
13 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social
14 security benefits, workers' compensation benefits that arose at any time, or based on acts or
15 omissions after the Effective Date. Plaintiff acknowledge that he may discover facts or law different
16 from, or in addition to, the facts or law Plaintiff now knows or believes to be true but agrees that
17 Plaintiff's Release shall remain effective in all respects, notwithstanding such different or additional
18 facts or the discovery of them. Plaintiff also expressly waives and relinquishes any and all claims,
19 rights or benefits that he may have under Civil Code section 1542, which provides as follows:

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

26 64. Release by the Class Members. Upon the Effective Date, Plaintiff and Class
27 Members who did not submit a valid and timely Request for Exclusion Form, will – on behalf of
28 himself or herself, his or her heirs, descendants, dependents, executors, administrators, assigns, and
successors – fully and finally release and discharge the Released Parties from any and all of the
Released Class Claims within the Class Period.

1 65. Void of Settlement for Non-Payment. The Parties agree that in the event that
2 Defendant fails to fully fund the Gross Settlement Amount and upon default notice and a 60-day
3 cure period without cure, Plaintiff has the right to void the settlement in its entirety. In other words,
4 Plaintiff, Class Members, Eligible Allegedly Aggrieved Employees, and State of California will not
5 be bound by the Released Class Claims and Released PAGA Claims if Defendant fails to fully fund
6 the Gross Settlement Amount.

7 66. Press and Publicity. The Parties and their counsel agree that they will not issue
8 any press releases, initiate any contact with the press, respond to any press inquiry, publicize the
9 Settlement, or have any communication with the press about this Action and/or facts, amount, or
10 terms of the Settlement at any time. The Parties agree that the Press for purposes of this section
11 includes any and all online posts on news articles. This provision shall not apply to the filing of any
12 documents with the Court or LWDA that are necessary to effectuate the Settlement, nor is it intended
13 to interfere with or restrict the: (a) Settlement Administrator from distributing the Notice Packet and
14 complying with its obligation to provide information to the Class Members and/or Eligible Allegedly
15 Aggrieved Employees; (b) Settlement Administrator from posting any judgment on its website; and
16 (c) Class Counsel from disclosing the names of the Parties in this Action and the venue/case number
17 of this action for purposes of proving adequacy.

18 67. Amendments to the Written Notice to the LWDA and Operative Complaints.
19 The Parties intend to settle any and all wage and hour claims including claims for civil penalties
20 under PAGA that were or could have been asserted based on the facts and allegations made in the
21 Action and consistent with the Released PAGA Claims. Plaintiff will amend the written notice to the
22 LWDA to include factual allegations and Labor Code provisions which could have been asserted but
23 were not initially included in the written notice to the LWDA and consistent with the Released PAGA
24 Claims. The Parties' agreement to amend the written notice to the LWDA will be invalid and revoked
25 if the Settlement Agreement is not approved. Plaintiff will also amend the operative complaints to
26 reflect the agreed upon scope of the release of any and all wage and hour claims pursuant to the
27 Labor Code, wage orders, and claim for civil penalties which is consistent with the Released Class
28 Claims. The Parties' agreement to amend the operative complaints will be invalid and revoked if the

1 Settlement Agreement is not approved. The Parties agree that Plaintiff will provide drafts of the
2 amended written notice to the LWDA and amended operative complaint for Defendant's review and
3 approval before submission to the LWDA or filing. The amended written notice to the LWDA and
4 amended complaint must mirror the scope of the Released Class Claims as defined in paragraph 27
5 of this Agreement and Released PAGA Claims as defined in paragraph 28 of this Agreement.

6 68. No Unalleged Claims. Plaintiff and Class Counsel represent that, other than
7 the claims set forth in the amended written notices to the LWDA and operative complaints, they are
8 not currently aware of any: (a) unalleged claims in addition to, or different from, those which are
9 finally and forever settled and released against the Released Parties by this Settlement; and (b)
10 unalleged facts or legal theories upon which any claims or causes of action could be brought against
11 Defendant, except such facts and theories alleged in all operative complaints in this Action and the
12 amended written notice to the LWDA. Plaintiff and Class Counsel further represent that, other than
13 the instant Action, they have no current intention of asserting any other claims against Defendant in
14 any judicial or administrative forum. Plaintiff and Class Counsel represent that they do not currently
15 know of or represent any persons who have expressed any interest in pursuing litigation or seeking
16 any recovery against Defendant.

17 69. Authorization to Enter the Settlement Agreement. The Parties' counsel
18 warrant and represent they are expressly authorized by the Parties whom they represent to negotiate
19 this Settlement and to take all appropriate action required or permitted to be taken by such Parties
20 pursuant to this Settlement to effectuate its terms and to execute any other documents required to
21 effectuate the terms of this Settlement. If the Parties are unable to reach agreement on the form or
22 content of any document needed to implement the Settlement, the Parties shall refer the matter to
23 the mediator for resolution.

24 70. Execution and Counterparts. This Settlement Agreement is subject only to the
25 execution of all Parties. However, the Settlement may be executed in one or more counterparts. All
26 executed counterparts and each of them, including facsimile and scanned copies of the signature
27 page, will be deemed to be one and the same instrument if the Parties' counsel will exchange among
28 themselves original signed counterparts.

1 71. Entire Agreement. This Agreement and any attached exhibits constitute the
2 entirety of the settlement terms. No other prior or contemporaneous written or oral agreements may
3 be deemed binding on the Parties. This provision has no application or impact on any arbitration
4 agreements, confidentiality agreements, employee handbooks, or policies executed by a Class
5 Member during his or her employment with Defendant, which remain in full force and effect.

6 72. Acknowledgement the Settlement is Fair, Adequate, and Reasonable. The
7 Parties believe that this Settlement is a fair, adequate, and reasonable settlement and have arrived at
8 this Settlement after arm's-length negotiations and in the context of adversarial litigation. The Parties
9 acknowledge that they are each represented by competent counsel and that they have had an
10 opportunity to consult with their counsel regarding the fairness and reasonableness of this
11 Settlement. In addition, the mediator may, at his discretion, execute a declaration supporting the
12 Settlement and the reasonableness of the Settlement, and the Court may, in its discretion, contact the
13 mediator to discuss the settlement and whether the settlement is fair and reasonable.

14 73. Waiver of Certain Appeals and Class Certification. The Parties agree to waive
15 appeals and to stipulate to class certification for purposes of this Settlement only. The Parties further
16 agree that the Preliminary Approval motion seeking certification of the Class and class claims are
17 for purposes of the Settlement only. If the Settlement is not approved for any reason, the class
18 certification will have no force or effect and will be immediately revoked. The Parties agree that
19 class certification for purposes of the Settlement is in no way an admission that class certification is
20 proper under the more stringent standards applied for litigation purposes and that this Settlement
21 will not be admissible in this or any other proceeding as evidence that any class should be certified
22 or that Defendant is liable to Plaintiff or Class Members.

23 74. Non-Admission of Liability. In entering this Settlement, Defendant does not
24 admit, and specifically denies, it: (a) violated any federal, state, or local law; (b) violated any
25 regulations or guidelines promulgated pursuant to any statute or any other applicable laws,
26 regulations, or legal requirements; (c) breached any contract; (d) violated or breached any duty; (e)
27 engaged in any misrepresentation or deception; or (f) engaged in any other unlawful conduct.

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1 75. Enforcement Action. If one or more of the Parties institutes any legal action
2 or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or
3 to declare rights and/or obligations under this Settlement, the successful Party or Parties will be
4 entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs.

5 76. Mutual Preparation. The Parties had a full opportunity to negotiate the terms
6 and conditions of this Settlement. This Settlement will not be construed more strictly against one
7 Party than another merely by virtue of the fact it may have been prepared by counsel for one of the
8 Parties. It is recognized that all Parties have contributed to the preparation of this Settlement.

9 77. Representation By Counsel. The Parties acknowledge that they have been
10 represented by counsel throughout all negotiations that preceded the execution of this Settlement
11 and that this Settlement has been executed with the consent and advice of counsel. Furthermore,
12 Plaintiff and Class Counsel warrant and represent that there are no liens on the Settlement.

13 78. Binding Agreement. The Parties warrant that they understand and have full
14 authority to enter this Settlement and further intend this Settlement will be fully enforceable and
15 binding on all Parties. The Parties also agree that this Settlement will be admissible and subject to
16 disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality
17 provisions that otherwise might apply under federal or state law.

18 79. Nullification of Settlement Agreement. If the Court does not approve the
19 Settlement as provided herein, then this Settlement Agreement, and any documents generated to
20 bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance
21 of this Settlement Agreement will likewise be treated as void from the beginning.

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

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1 81. Invalidity of Any Provision / Severability. Before declaring any provision of
2 this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to
3 the fullest extent possible consistent with applicable precedents so as to define all provisions of this
4 Settlement Agreement valid and enforceable.

5 82. Waiver. No waiver of any condition or covenant contained in this Settlement
6 or failure to exercise a right or remedy by any of the Parties will be considered to imply or constitute
7 a further waiver by the Parties of the same or any other condition, covenant, right, or remedy.

8 83. Exhibits Incorporated by Reference. The terms of this Settlement include the
9 terms set forth in any attached exhibits, which are incorporated by reference as though fully set forth
10 herein. Any exhibits to this Settlement are an integral part of the Settlement.

11 84. Certification of Completion. Upon completion of the settlement
12 administration, the Settlement Administrator will provide a written declaration under oath to certify
13 such completion to the Court and Parties' counsel.

14 85. Cooperation and Execution of Necessary Documents. All Parties will
15 cooperate in good faith and execute all documents to the extent necessary to effectuate the terms of
16 this Settlement Agreement.

17 86. Amendment or Modification. This Settlement Agreement may be amended or
18 modified only by a written instrument signed by the Parties' counsel or their successors-in-interest
19 and, approved by the Court.

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

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

24 89. All Terms Subject to Final Court Approval. All amounts and procedures
25 described in this Settlement Agreement herein will be subject to final Court approval.

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1 90. Right to Withdraw. If the number of valid Request for Exclusion Forms
2 identified by the Settlement Administrator exceeds ten percent (10%) of the total of all Class
3 Members, Defendant may, but is not obligated, elect to withdraw from this Settlement. The Parties
4 agree that if Defendant withdraws, this Settlement shall be void ab initio, have no force or effect
5 whatsoever and that neither Party will have any further obligation to perform under this Settlement
6 provided that Defendant will remain responsible for paying all settlement administration costs
7 incurred through the point of withdrawal. Defendant must notify Class Counsel and the Court of its
8 selection to withdraw no later than fourteen (14) calendar days after the Settlement Administrator
9 sends the final weekly report and confirms the total number of timely, complete, and valid requests
10 for exclusion. A late election will have no effect.

11 91. Escalator Clause. If it is determined that the number of Workweeks through
12 the Class Period exceeds ten percent (10%) or more of 9,935 (*i.e.*, more than 10,929 Workweeks),
13 then at Defendant's option, either the: (1) Gross Settlement Amount shall increase proportionally
14 over the ten percent (10%) increase (*i.e.*, if the number of Workweeks increases by 11%, then the
15 Gross Settlement Amount will increase by 1%); or (2) Class Period shall end as of the date the
16 number of Workweeks within the Class Period reaches 10,929 Workweeks.

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SO AGREED AND STIPULATED.

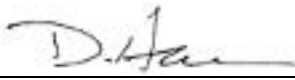
Dated: 12/09/2025

Jorge Pelayo

By:  _____

Dated: 12/09/2025

Justice Law Corporation [Approving as to Form Only]

By:  _____
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Shelby Miner, Esq.
Attorneys for Plaintiffs

Dated: _____

Stretch Forming Corporation

By: _____
On behalf of Stretch Forming Corporation

Dated: _____

Pettit Kohn Ingrassia Lutz & Dolin PC [Approving as to Form Only]

By: _____
Shannon R. Finley, Esq.
Alysha Zapata, Esq.
Attorneys for Defendant

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SO AGREED AND STIPULATED.

Dated: _____ **Jorge Pelayo**

By: _____

Dated: _____ **Justice Law Corporation [Approving as to Form Only]**

By: _____
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Shelby Miner, Esq.
Attorneys for Plaintiffs

Dated: 12/22/2025 **Stretch Forming Corporation**

By: *Brian Geary*
On behalf of Stretch Forming Corporation

Dated: December 22, 2025 **Pettit Kohn Ingrassia Lutz & Dolin PC [Approving as to Form Only]**

By: *Shannon Finley*
Shannon R. Finley, Esq.
Alysha Zapata, Esq.
Attorneys for Defendant

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Jorge Pelayo v. Stretch Forming Corporation (Case No. CVRI2304773)
[Consolidated with Case No. CVRI2306016]

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

You may be eligible to receive money from an employee class action lawsuit ("Action") against Defendant Stretch Forming Corporation ("Defendant") for alleged wage and hour violations. The Action was filed by Plaintiff Jorge Pelayo ("Plaintiff"). The Action seeks payment of:

- (1) Unpaid wages and other relief for a class of all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period ("Class," "Class Members"). The Class Period is the period from August 15, 2022, through March 11, 2025 ("Class Period"); and
- (2) Penalties under the Private Attorneys General Act of 2004 ("PAGA") for all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period ("Eligible Allegedly Aggrieved Employees". The PAGA period from August 15, 2022, through March 11, 2025 ("PAGA Period").

The settlement has two parts: (1) Class Settlement requiring Defendant to fund Individual Settlement Payments; and (2) PAGA Settlement requiring Defendant to fund Individual PAGA Payments and a payment to the California Labor Workforce Development Agency ("LWDA").

Your Individual Settlement Payment is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]. The actual amount you may receive likely will be different and will depend on several factors.

The above estimates are based on Defendant's records showing that you worked [REDACTED] Workweeks during the Class Period and worked [REDACTED] Workweeks during the PAGA Period. If you believe that you worked more Workweeks, you can submit a challenge by the deadline date. See Section IV of this Class Notice.

The Court has already preliminarily approved the settlement and approved this Class Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. At the Final Approval Hearing, the Court will decide whether to finally approve the settlement and how much of the settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will decide whether to enter a judgment that requires Defendant to make payments under the settlement and for Class Members and Eligible Allegedly Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or PAGA Period, you have two (2) basic options under the settlement:

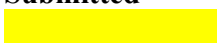
1. **Do Nothing.** You don't have to do anything to participate in the settlement and be eligible for an Individual Settlement Payment and/or Individual PAGA Payment. As a Class Member, you will give up your right to assert Class Period wage claims against Defendant.

2. **Opt Out of the Class Portion of the Settlement.** You can exclude yourself from the Class portion of the Settlement by submitting the written Request for Exclusion Form mailed alongside this Class Notice or otherwise notifying the Settlement Administrator in writing. If you opt out of the settlement, you will not receive an Individual Settlement Payment but will preserve your right to personally pursue Class Period wage claims against Defendant. If you are an Eligible Allegedly Aggrieved Employee, you remain eligible for an Individual PAGA Payment. You cannot opt out of the PAGA portion of the settlement.

Defendant won't retaliate against you for any actions you take with respect to the settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Class Member, eligible for an Individual Settlement Payment and Individual PAGA Payment. In exchange, you will give up your right to assert the claims against Defendant covered by this settlement (Released Claims).
You Can Opt Out of the Class Portion of the Settlement but not the PAGA Portion of the Settlement The Opt Out Deadline is [REDACTED]	If you don't want to fully participate in the settlement, you can opt out of the Class portion of the Settlement by sending the Settlement Administrator the written Request for Exclusion Form. Once excluded, you will no longer be eligible for an Individual Settlement Payment. An individual who requests exclusion cannot object to any portion of the settlement. See Section VI of this Class Notice. You cannot opt out of the PAGA portion of the settlement. If the Settlement is approved, Defendant must pay Individual PAGA Payments to all Eligible Allegedly Aggrieved Employees, and the Released PAGA Claims will be released.
Class Members Who Do Not Opt Out Can Object to the Class Portion of the Settlement but not the PAGA Portion of the Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt out can object to any aspect of the Class settlement by submitting the Objection Form mailed alongside this Class Notice. The Court's decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiff. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to the Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this Class Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person or by telephone. The Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section VIII of this Class Notice.

You Can Challenge the Calculation of Your Workweeks Written Challenges Must be Submitted by 	The amount of your Individual Settlement Payment and PAGA Payment (if any) depend on how many Workweeks you worked during the Class Period and PAGA Period, respectively. The number of Workweeks you worked according to Defendant's records is stated on the first page of this Class Notice. See Section IV of this Class Notice on how to challenge the accuracy of these numbers.
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I. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to: (1) pay wages (contractual wages, overtime wages, double-time wages, minimum wages), including by failing to pay wages at the correct/required rates; (2) provide meal period / pay meal period premiums; (3) provide rest breaks / pay rest break premiums; (4) timely pay final wages; (5) provide compliant wage statements; (6) reimburse business expenses; and (7) comply with the requirements of Business & Professions Code section 17200. Plaintiff also asserted a claim for civil penalties under Labor Code section 2698 (PAGA). See Section X of this Class Notice about the definition of a representative PAGA action. Plaintiff is represented by attorneys Douglas Han and Shunt Tatavos-Gharajeh of Justice Law Corporation.

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

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

The Court has made no determination whether Plaintiff or Defendant is correct on the merits. In the meantime, the Parties hired an experienced, neutral mediator to resolve the Action by negotiating a settlement to the case rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful following a full day of mediation.

By signing the Joint Stipulation and Settlement Agreement ("Settlement Agreement," "Settlement," or "Agreement") and agreeing to jointly ask the Court to enter a judgment concluding the Action and enforcing the Settlement Agreement, the Parties negotiated a settlement that is subject to the Final Approval. Both sides agree that the settlement is a compromise of disputed claims. Defendant does not admit any violations or concede the merit of any claims.

The Court has determined only that there is sufficient evidence to suggest that the Settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the Final Approval Hearing.

III. WHAT ARE THE IMPORTANT TERMS OF THE SETTLEMENT?

1. Defendant Will Pay a Gross Settlement Amount of \$350,000. Defendant agreed to deposit the Gross Settlement Amount into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Gross Settlement Amount to pay the Attorneys' Fees and Costs, Class Representative Enhancement Payment, Settlement Administration Costs, Individual Settlement Payments, Individual PAGA Payments, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA").

- a. Assuming the Court grants Final Approval, Defendant will make a single payment of \$350,000 into the QSF within thirty (30) calendar days of the Effective Date or March 12, 2026, whichever date is later. Within fourteen (14) calendar days of Defendant funding of the Gross Settlement Amount, the Settlement Administrator will issue payments to the appropriate entities and persons.
 - b. “Effective Date” means the later of the following: (i) if there are no objections to the Settlement, sixty (60) calendar days after the Court serves the Parties with a notice of entry of judgment or a file-stamped copy of the order granting Final Approval and entering judgment; or (ii) if there are objections to the Settlement, sixty (60) calendar days after the Court serves the Parties with a notice of entry of judgment or a file-stamped copy of the order granting Final Approval and entering judgment and all appeals have been finally resolved in favor of the Settlement.
2. Court Approved Deductions from the Gross Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - a. Up to \$122,500 (35% of the Gross Settlement Amount) to Class Counsel as their attorneys’ fees and up to \$25,000 in documented and reimbursable attorneys’ costs. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - b. Up to \$10,000 to Plaintiff as the Class Representative Enhancement Payment for filing the Action, working with Class Counsel, and effectively representing the Class. The Class Representative Enhancement Payment will be the only money Plaintiff will receive other than Plaintiff’s Individual Settlement Payment and Individual PAGA Payment.
 - c. Up to \$10,000 to the Settlement Administrator as the Settlement Administration Costs for services administering the Settlement.
 - d. Up to \$25,000 for PAGA Payment, seventy-five percent (75%) of which (\$18,750) will be paid to the LWDA and twenty-five percent (25%) of which (\$6,250) will be paid to the Eligible Allegedly Aggrieved Employees as their Individual PAGA Payments based on their Workweeks.
3. Net Settlement Amount Distributed to the Class Members. After making the above deductions in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Gross Settlement Amount (“Net Settlement Amount”) by making Individual Settlement Payments to the Class Members based on their Workweeks.

4. Taxes Owed on Payments to Class Members. The Parties are asking the Court to approve an allocation of twenty-five percent (25%) of each Individual Settlement Payment to taxable wages and seventy-five percent (75%) to non-wage payments, including expense reimbursements, interest, and penalties. The wage portion is subject to withholdings and will be reported on IRS Form W-2. Defendant will separately pay employer payroll taxes that it owes on the wage portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and non-wage portions of the Individual Settlement Payments on IRS Form 1099.
 - a. While the Parties agreed to these allocations, neither side is giving you any advice on whether your payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any payments received from the Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the settlement.
5. Need to Promptly Cash Payment Checks. The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. The Settlement Administrator will cancel all checks not cashed by the void date. For any Class Member whose settlement check is uncashed and cancelled after the void date, the Settlement Administrator shall transmit the funds represented by such checks to the State Controller's Unclaimed Property Fund in the name of the Class Member. If the monies represented by your check is sent to the State Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.
6. Requests for Exclusion from the Class Portion of the Settlement. You will be treated as a Class Member, participating fully in the Class portion of the Settlement, unless you notify the Settlement Administrator in writing that you wish to opt out by submitting a Request for Exclusion Form. Individuals who exclude themselves will not receive Individual Settlement Payments but will preserve their rights to personally pursue wage and hour claims against Defendant.
 - a. You cannot opt out of the PAGA portion of the Settlement. The individuals who exclude themselves remain eligible for Individual PAGA Payments.
7. Right to Object. The Class Members have the right to object to the Settlement, including the above-mentioned payments. The Court will consider all objections.
8. The Settlement Will be Void if the Court Denies Final Approval. It is possible that the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible that the Court will enter a Judgment that is reversed on appeal. The Parties agreed, in either case, the Settlement will be void: (a) Defendant will not pay any money; and (b) Class Members will not release any claims against Defendant.

9. Settlement Administrator. The Court has appointed a neutral company ILYM Group, Inc. (“Settlement Administrator”) to send this Class Notice, calculate and make payments, and process the Requests for Exclusion Forms received. The Settlement Administrator will also decide the challenges over Workweeks, mail and remail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator’s contact information is contained in Section IX of this Class Notice.
10. Release by the Class Members. Upon the Effective Date, the Class Members will be legally barred from asserting any of the claims released under the Settlement. The Class Members will be bound by the following release:
- a. Any and all claims, rights, demands, liabilities, and causes of action whether pled or could have been pled arising from the facts alleged in the Action against Defendant during the Class Period (“Released Class Claims”). The Released Class Claims include claims for alleged: (i) failure to pay minimum wages, contractual straight-time wages, and wages at the proper regular rate of pay for all work performed; (ii) failure to pay wages for off-the-clock work; (iii) failure to pay all overtime and double time wages (including failure to pay overtime, double-time, meal/rest premiums, and/or sick time wages at the correct regular rate of pay); (iv) failure to provide compliant meal periods; (v) failure to provide compliant rest periods; (vi) failure to pay premiums (or correct premiums) for non-compliant meal and rest breaks; (vii) failure to pay sick pay; (viii) failure to calculate the regular rate of pay to include bonuses or other incentive compensation or to properly weight wage rates when calculating the regular rate of pay, bonus, and incentive pay; (ix) failure to pay wages due at termination and during employment; (x) failure to provide accurate, itemized wage statements; (xi) failure to pay employees two times per month or timely during employment; and (xii) all claims under Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226, 226(a), 226(b), 226.3, 226.7, 227.3, 246, 432.5, 432.6, 510, 512, 512(a), 515, 551, 552, 558, 1030, 1031, 1032, 1033, 1034, 1174(d), 1194, 1197, 1197.1, 1198, 1198.5, 2800, 2801, and 2802, as well as claims for unfair competition/unfair business practices pursuant to the Unfair Competition Laws, Business & Professions Code sections 17200, based on any of the foregoing alleged failures/claims.
 - b. The Released Class Claims expressly encompasses a release by the Class Members of claims under the Fair Labor Standards Act based on the same conduct/primary rights as those alleged in the Action. Defendant shall be entitled to the Released Class Claims occurring only during the Class Period and during such time when the Class Members were classified as hourly-paid or non-exempt employees.
 - c. The Released Class Claims exclude claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, and workers’ compensation.

11. Release by the State of California. Upon the Effective Date, Plaintiff and State of California will be barred from asserting PAGA claims against Defendant. Specifically, Plaintiff and State of California will release the following claims:

- a. Any and all claims, rights, demands, liabilities, and causes of action whether pled or could have been pled arising from the facts alleged in the Actions against Defendant during the PAGA Period (“Released PAGA Claims”). The Released PAGA Claims that will bind Plaintiff and State of California include claims for alleged: (i) failure to pay minimum wages, contractual straight-time wages, and wages at the proper regular rate of pay for all work performed; (ii) failure to pay wages for off-the-clock work; (iii) failure to pay all overtime and double time wages (including failure to pay overtime, double-time, meal/rest premiums, and/or sick time wages at the correct regular rate of pay); (iv) failure to provide compliant meal periods; (v) failure to provide compliant rest periods; (vi) failure to pay premiums (or correct premiums) for non-compliant meal and rest breaks; (vii) failure to pay sick pay; (viii) failure to calculate the regular rate of pay to include bonuses or other incentive compensation or to properly weight wage rates when calculating the regular rate of pay, bonus, and incentive pay; (ix) failure to pay wages due at termination and during employment; (x) failure to provide accurate, itemized wage statements; (xi) failure to pay employees two times per month or timely during employment; and (l) all claims under Labor Code sections 201, 202, 203, 204, 210, 218.5, 221, 226, 226(a), 226(b), 226.3, 226.7, 227.3, 246, 432.5, 432.6, 510, 512, 512(a), 515, 551, 552, 558, 1030, 1031, 1032, 1033, 1034, 1174(d), 1194, 1197, 1197.1, 1198, 1198.5, 2800, 2801, and 2802, as well as claims for unfair competition/unfair business practices pursuant to the Unfair Competition Laws, Business & Professions Code sections 17200 based on any of the foregoing alleged failures/claims.

12. Settlement Void for Non-Payment. If Defendant fails to fully fund the Gross Settlement Amount and upon default notice and a 60-day cure period without cure, Plaintiff has the right to void the settlement in its entirety. In other words, Plaintiff, Class Members, Eligible Allegedly Aggrieved Employees, and State of California will not be bound by the Released Class Claims and Released PAGA Claims if Defendant fails to fully fund the Gross Settlement Amount.

IV. HOW WILL THE SETTLEMENT ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Payments. To determine the estimated Individual Settlement Payments, the Settlement Administrator will use the following formula: Net Settlement Amount will be divided by the aggregate total number of Workweeks worked by all Class Members during the Class Period, resulting in the Workweek Value for Class Members. Each Class Member’s Individual Settlement Payment will then be calculated by multiplying each individual Class Member’s total number of Workweeks worked by the Workweek Value for Class Members.

2. Individual PAGA Payments. To determine the estimated Individual PAGA Payments, the Settlement Administrator will use the following formula: \$6,250 (25% of the PAGA Payment) will be divided by the aggregate total number of Workweeks worked by all Eligible Allegedly Aggrieved Employees during the PAGA Period, resulting in the Workweek Value for Eligible Allegedly Aggrieved Employees. Each Eligible Allegedly Aggrieved Employee's Individual PAGA Payment will be then calculated by multiplying each individual Eligible Allegedly Aggrieved Employee's total number of Workweeks worked by the Workweek Value for Eligible Allegedly Aggrieved Employees.
3. Workweek Challenges. The number of Workweeks you worked during the Class Period and PAGA Period, as recorded in Defendant's records, are stated on the first page of this Class Notice. You have until [REDACTED] to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email, or fax. Section IX of this Class Notice has the Settlement Administrator's contact information.
 - a. You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant's calculation of Workweeks and based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Class Members) and Defense Counsel. The Settlement Administrator's decision is final. You cannot appeal or otherwise challenge its final decision.

V. HOW WILL I GET PAID?

1. Class Members. The Settlement Administrator will send, via First-Class U.S. Mail, postage prepaid, a single check to every Class Member, including those who also qualify as Eligible Allegedly Aggrieved Employees. The single check will combine the Individual Settlement Payment and Individual PAGA Payment.
2. Eligible Allegedly Aggrieved Employees. The Settlement Administrator will send, via First-Class U.S. Mail, postage prepaid, a single Individual PAGA Payment check to every Eligible Allegedly Aggrieved Employee.
3. Change of Address. Your check will be sent to the same address as this Class Notice. If you change your address, be sure to notify the Settlement Administrator as soon as possible. Section IX of this Class Notice has the Settlement Administrator's contact information.

VI. HOW DO I OPT OUT OF THE CLASS PORTION OF THE SETTLEMENT?

Submit the completed Request for Exclusion Form to the Settlement Administrator. You must make the request yourself. If someone else makes the request for you, it will not be valid. The Settlement Administrator must be sent your request to be excluded by [REDACTED], or it will be invalid. Section IX of the Class Notice has the Settlement Administrator's contact information.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only the Class Members have the right to object to the Settlement. A Class Member who disagrees with any aspect of the Agreement and/or Motion for Final Approval may wish to object. The deadline for sending written objections to the Settlement Administrator is [REDACTED]. Be sure to complete Objection Form and submit it to the Settlement Administrator by the deadline set forth above. Section IX of this Class Notice has the Settlement Administrator's contact information.

Alternatively, a Class Member can object (or personally retain an attorney to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. The Class Members are not required (personally or through counsel) to appear at the Final Approval Hearing to have their objections considered. See Section VIII of this Class Notice for specifics regarding the Final Approval Hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [REDACTED] at [REDACTED] in Department 1 of the Riverside County Superior Court located at 4050 Main Street, Riverside, California 92501. At the Final Approval Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement Amount will be paid to Class Counsel, Plaintiff, and Settlement Administrator. The Court will invite comments from objectors, Class Counsel, and Defense Counsel before deciding.

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

IX. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything the Parties have promised to do under the Settlement Agreement. The easiest way to read the Settlement Agreement, Judgment, or any other Settlement documents is to go to Settlement Administrator's website at [REDACTED]. You can also telephone or send an email to Class Counsel or Settlement Administrator using the contact information listed below.

You can find the settlement ("Joint Stipulation and Settlement Agreement") by accessing the Court's website at <https://epublic-access.riverside.courts.ca.gov/public-portal/>. The most recent version of the settlement is attached to the [REDACTED] as Exhibit [REDACTED] that was filed with the Court on [REDACTED]. You can also go to the Court in person at the address listed in Section VIII of this Class Notice and request copies of the court documents.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

Class Counsel:

Douglas Han
Shunt Tatavos-Gharajeh
Justice Law Corporation
751 North Fair Oaks Ave., Suite 101
Pasadena, California 91103
(Tel) (818) 230-7502
(Fax) (818) 230-7259
dhan@JusticeLawCorp.com
statavos@JusticeLawCorp.com

Settlement Administrator:

[SETTLEMENT ADMINISTRATOR]
[MAILING ADDRESS]
[TELEPHONE NUMBER]
[FAX NUMBER]
[EMAIL]

X. WHAT IS A REPRESENTATIVE PAGA ACTION?

A representative PAGA action is a type of representative lawsuit authorized by the Labor Code section 2698 (PAGA), which allows aggrieved employees to file lawsuits to recover civil penalties on behalf of themselves, other employees, and the State of California for violations of the Labor Code. An aggrieved employee is any person who was employed by the subject employer, and against whom one or more of the alleged Labor Code violations was committed. An employee who files a representative PAGA action is acting as an agent of California's labor law enforcement agencies, who have the power to initiate an enforcement action directly.

A representative PAGA action is different from a class action in that an employee filing a representative PAGA action is not resolving the claims of other similarly situated employees. Instead, the employee is acting as an agent of the State of California to obtain penalties for themselves and aggrieved employees for Labor Code violations allegedly committed against those employees pursuant to PAGA. Penalties awarded in a representative PAGA action are measured by the number of Labor Code violations committed by the employer, a portion of which (75%) must be paid to the State of California.

Members of a class action have the right to opt out of, or exclude themselves from, the class action. Class Members who opt out will not be bound by the terms of any judgment issued by the Court in the class action. Class Members who do not opt out will be bound by the terms of any judgment issued and will be precluded from bringing any claims that were or that could have been brought against the employer in the lawsuit in which the individual was a class member. Conversely, aggrieved employees do not have the right to opt out of (or object to) a settlement of a representative PAGA action. However, aggrieved employees retain the right to pursue the class claims if they timely opt out of the settlement as further discussed in Section VI of this notice.

XI. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

XII. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT B

OBJECTION FORM

Jorge Pelayo v. Stretch Forming Corporation

Case No. CVRI2304773

(Consolidated with Case No. CVRI2306016)

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be included in the Settlement, receive your share of the Settlement, and no action is required.
EXCLUDE YOURSELF	You will not receive any share of the class portion of the Settlement and will not release the class released claims as described in Section VIII of the accompanying notice.
OBJECT	If you choose to do so, you may object to the class action portion of the Settlement.

TO OBJECT TO THE CLASS ACTION PORTION OF THE SETTLEMENT, YOU MUST FILL OUT, SIGN, AND RETURN THIS FORM POSTMARKED ON OR BEFORE [RESPONSE DEADLINE] TO [SETTLEMENT ADMINISTRATOR] AT [SETTLEMENT ADMINISTRATOR'S ADDRESS].

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any): _____

[LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER] _____

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

[TELEPHONE NUMBER] _____

**THIS FORM IS TO BE USED ONLY IF YOU WANT TO OBJECT TO THE CLASS
ACTION PORTION OF THE SETTLEMENT.**

I object to the class action portion of the Settlement for the following reasons:

(Attach additional pages if necessary.)

Signed on _____

Signature: _____

EXHIBIT C

REQUEST FOR EXCLUSION FORM

Jorge Pelayo v. Stretch Forming Corporation

Case No. CVRI2304773

(Consolidated with Case No. CVRI2306016)

YOUR LEGAL RIGHTS & OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will be included in the Settlement, receive your share of the Settlement, and no action is required.
EXCLUDE YOURSELF	You will not receive any share of the class portion of the Settlement and will not release the class released claims as described in Section VIII of the accompanying notice.
OBJECT	If you choose to do so, you may object to the class action portion of the Settlement.

TO EXCLUDE YOURSELF FROM THE CLASS ACTION PORTION OF THE SETTLEMENT YOU MUST FILL OUT, SIGN, AND RETURN THIS FORM POSTMARKED ON OR BEFORE [RESPONSE DEADLINE] TO [SETTLEMENT ADMINISTRATOR] AT [SETTLEMENT ADMINISTRATOR'S ADDRESS].

IDENTIFYING INFORMATION

Please verify and/or complete any missing identifying information:

[NAME] Former Names (if any): _____

[LAST FOUR DIGITS OF SOCIAL SECURITY NUMBER] _____

[ADDRESS LINE 1] _____

[ADDRESS LINE 2] _____

[TELEPHONE NUMBER] _____

THIS FORM IS TO BE USED ONLY IF YOU DO NOT WANT TO PARTICIPATE IN THE CLASS ACTION PORTION OF THE SETTLEMENT. IF YOU WANT TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT, DO NOT SUBMIT THIS FORM.

I UNDERSTAND THAT IF I SUBMIT THIS REQUEST FOR EXCLUSION FORM, IT WILL ONLY RESULT IN MY EXCLUSION FROM THE CLASS ACTION PORTION OF THE SETTLEMENT. IN OTHER WORDS, I WILL STILL BE BOUND TO THE PAGA PORTION OF THE SETTLEMENT AND WILL STILL RECEIVE MY INDIVIDUAL PAGA PAYMENT EVEN IF I SUBMIT THIS REQUEST FOR EXCLUSION FORM.

By signing and completing the below, I agree to the following:

I do not want to participate in the class action portion of the Settlement in *Jorge Pelayo v. Stretch Forming Corporation*, Case No. CVRI2304773 (Consolidated with Case No. CVRI2306016). I understand that by not participating and excluding myself from the class action portion of the Settlement, I will not receive an Individual Settlement Payment. I also understand that even if I submit this form, I will still be bound by the PAGA portion of the Settlement and receive my Individual PAGA Payment.

Signed on _____

Signature: _____

EXHIBIT D

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
HAIG HOGDANIAN (SBN 334699)
JUSTICE LAW CORPORATION
751 N. Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Facsimile: (818) 230-7259

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

JORGE PELAYO, individually, and on behalf
of other members of the general public similarly
situated;

Plaintiff,

v.

STRETCH FORMING CORPORATION, a
California corporation; and DOES 1 through
100, inclusive;

Defendants.

Case No.: CVRI2304773
[Consolidated with Case No. CVRI2306016]

Assigned for All Purposes to:
Honorable Harold Hopp
Department 1

CLASS ACTION

**[PROPOSED] ORDER GRANTING
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT, CONDITIONAL
CERTIFICATION, APPROVAL OF
NOTICE PACKET, SETTING OF FINAL
APPROVAL HEARING DATE**

Hearing Date:
Hearing Time:
Hearing Place: Department 1

Complaint Filed: September 5, 2023
Trial Date: None Set

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 The Motion for Preliminary Approval of Class Action Settlement came before this Court,
3 the Honorable Harold Hopp presiding, on [REDACTED] at [REDACTED]. The Court, having considered the
4 papers submitted in support of the Motion, **ORDERS THE FOLLOWING:**

5 1. The following Class is conditionally certified for purposes of settlement
6 only: all current and former hourly-paid or non-exempt employees of Defendant Stretch Forming
7 Corporation (“Defendant”) within the State of California at any time during the period from August
8 15, 2022, through March 11, 2025 (“Class,” “Class Members,” and “Class Period”).

9 2. The Court grants preliminary approval of the settlement based upon the
10 terms set forth in the Joint Stipulation and Settlement Agreement (“Settlement Agreement,”
11 “Settlement,” or “Agreement”).

12 3. The settlement embodied in the Settlement Agreement appears to be fair,
13 adequate, and reasonable to the Class. The Settlement Agreement falls within the range of
14 reasonableness and appears to be presumptively valid, subject only to any objections that may be
15 raised at the Final Approval Hearing.

16 4. Plaintiff Jorge Pelayo (“Plaintiff”) is conditionally approved to serve as the
17 class representative.

18 5. Douglas Han and Shunt Tatavos-Gharajeh of Justice Law Corporation are
19 conditionally approved as Class Counsel for the Class.

20 6. The Court confirms ILYM Group, Inc. as the Settlement Administrator. The
21 nature of the services that the Settlement Administrator will be required to perform is described in
22 detail in paragraph 33 of the Settlement Agreement.

23 7. The Gross Settlement Amount of \$350,000 is conditionally approved.

24 8. The payment of the attorneys’ fees to Class Counsel not to exceed \$122,500
25 (35% of the Gross Settlement Amount) and attorneys’ costs to Class Counsel for actual litigation
26 costs incurred not to exceed \$25,000 are conditionally approved.

27 9. The Class Representative Enhancement Payment not to exceed \$10,000 to
28 Plaintiff for his services as the class representative is conditionally approved.

1 10. The Settlement Administration Costs not to exceed \$10,000 to the Settlement
2 Administrator for its services is conditionally approved.

3 11. The Court conditionally approves the Private Attorneys General Act of 2004
4 (“PAGA”) Payment not to exceed \$25,000 the Parties have allocated for the settlement of the claims
5 for PAGA penalties stemming from the alleged Labor Code violations. Seventy-five percent (75%)
6 of the PAGA Payment (\$18,750) will be paid to the California Labor and Workforce Development
7 Agency, and the remaining twenty-five percent (25%) of the PAGA Payment (\$6,250) will be paid
8 to the Eligible Aggrieved Employees, on a pro rata basis.

9 12. A Final Approval Hearing on the question of whether the Settlement
10 Agreement, Attorneys’ Fees and Costs, and Class Representative Enhancement Payment should be
11 finally approved as fair, reasonable, and adequate as to all Class Members who do not submit valid
12 and timely Request for Exclusion Forms is scheduled on the date and time set forth below.

13 13. The Court approves, as to form and content, the Notice of Class Action
14 Settlement (“Class Notice”), attached hereto as **Exhibit A**. The Class Notice shall be accompanied
15 by the Objection Form and Request for Exclusion Form. The Court also approves, as to form and
16 content, the Objection Form, attached hereto as **Exhibit B**. Finally, the Court approves, as to form
17 and content, the Request for Exclusion Form, attached hereto as **Exhibit C**. The Class Notice,
18 Objection Form, and Request for Exclusion Form are collectively known as the Notice Packet. The
19 Settlement Administrator will mail the Notice Packet to the Class Members in English and Spanish.

20 14. Any Objection Forms or Request for Exclusion Forms shall be submitted to
21 the Settlement Administrator rather than filed with the Court. The Settlement Administrator is
22 ordered to file with the Court a declaration with copies of any Objection Forms and Request for
23 Exclusion Forms it received concurrently with the filing of the motion for final approval,
24 authenticating a copy of every Objection Forms and Request for Exclusion Forms received by the
25 Settlement Administrator.

26 15. The Court orders the Settlement Administrator to send copies of the
27 Objection Forms and Request for Exclusion Forms to the Parties’ counsel.

28 ///

16. The objecting Class Members do not need to appear at the Final Approval Hearing for their objections to be considered. The objecting Class Members do not need to file or serve, or state in the Objection Form, a notice of intention to appear at the Final Approval Hearing.

17. The Settlement Administrator shall give notice to the objecting Class Members of any continuance of the Final Approval Hearing.

18. The Court directs the mailing of the Notice Packet to all identified Class Members via regular First-Class U.S. Mail in accordance with the implementation schedule set forth below. The Court finds that the dates selected for the mailing and distribution of the Notice Packet meet the requirements of due process, provide the best notice practicable under the circumstances, and shall constitute due and sufficient notice to all persons entitled.

19. The Court orders the following implementation schedule for proceedings:

a.	Deadline for Defendant to submit Class List to Settlement Administrator	Within fourteen (14) calendar days of entry of the Court's Order Granting Preliminary Approval
b.	Deadline for Settlement Administrator to mail the Notice Packet to the Class Members	Within fourteen (14) calendar days after the Settlement Administrator receives the Class List from Defendant
c.	Deadline for the Class Members to postmark requests for exclusion, written objections, and written disputes to the Settlement Administrator	Within sixty (60) calendar days from the initial mailing of the Notice Packet
d.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, Attorneys' Fees and Costs, and Class Representative Enhancement Payment	Within sixteen (16) court days before Final Approval Hearing in conformity with Code of Civil Procedure section 1005
e.	Final Approval Hearing	_____ at _____ a.m./p.m. in Department 1

Dated:

IT IS SO ORDERED.

By: _____
Honorable Harold Hopp
Judge of the Superior Court

EXHIBIT E

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
JUSTICE LAW CORPORATION
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Tel: (818) 230-7502
Fax: (818) 230-7259

Attorneys for Plaintiff

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

JORGE PELAYO, individually, and on behalf
of other members of the general public
similarly situated;

Plaintiff,

v.

STRETCH FORMING CORPORATION, a
California corporation; and DOES 1 through
100, inclusive;

Defendants.

Case No.: CVRI2304773
[Consolidated with Case No. CVRI2306016]

Assigned for All Purposes to:
Honorable Harold W. Hopp
Department 1

CLASS ACTION

**[PROPOSED] ORDER OF FINAL
APPROVAL AND JUDGMENT**

Hearing Date:
Hearing Time:
Hearing Place: Department 1

Complaint Filed: September 5, 2023
Trial Date: None Set

1 The Court, having read the papers filed regarding Plaintiff Jorge Pelayo's ("Plaintiff")
2 Motion for Final Approval of Class Action Settlement, and considering papers submitted in
3 support, including the Joint Stipulation and Settlement Agreement ("Settlement Agreement,"
4 "Settlement," or "Agreement") attached as **Exhibit** [REDACTED] to the Declaration of Douglas Han in
5 Support of Motion for Preliminary Approval of Class Action Settlement that was filed on
6 [REDACTED], **FINDS AND ORDERS:**

7 On [REDACTED], Plaintiff and Defendant Stretch Forming Corporation ("Defendant")
8 entered the Settlement Agreement.

9 On [REDACTED], the Court entered an order preliminarily approving the settlement of this
10 lawsuit ("Preliminary Approval Order"), consistent with the Code of Civil Procedure section 382
11 and Rule of Court 3.769, ordering notice to be sent to the Class Members, providing the Class
12 Members with an opportunity to object to the Settlement or exclude themselves from the Class,
13 and scheduling a Final Approval Hearing.

14 On [REDACTED], the Court held a Final Approval Hearing.

15 1. Incorporation of Other Documents. This Order of Final Approval and
16 Judgment ("Order and Judgment") incorporates the Settlement Agreement. Unless otherwise
17 provided herein, all capitalized terms in this Order and Judgment shall have the same meaning as
18 set forth in the Settlement Agreement.

19 2. Jurisdiction. Because adequate notice has been disseminated, and all Class
20 Members have been given the opportunity to request exclusion from the Class, the Court has
21 personal jurisdiction over the claims of all Class Members. The Court has subject matter
22 jurisdiction over this matter, including jurisdiction to approve the Settlement and grant final
23 certification of the Class.

24 3. Final Class Certification. The Court finds that the Class satisfies all
25 applicable requirements of Code of Civil Procedure section 382, Rule of Court 3.769, and due
26 process. Accordingly, the Court certifies the Class consisting of all current and former hourly-
27 paid or non-exempt employees of Defendant within the State of California at any time during the
28 period from August 15, 2022, through March 11, 2025 ("Class," "Class Members," and "Class

Period”). There are [REDACTED] Class Members who did not submit valid and timely Requests for Exclusion Forms.

4. Adequacy of Representation. Class Counsel fully and adequately represented the Class in entering and implementing the Settlement and satisfied the requirements of Code of Civil Procedure section 382. Only Justice Law Corporation is representing Plaintiff.

5. Notice Packet. The Court finds that the Notice of Class Action Settlement, Objection Form, and Request For Exclusion Form (“Notice Packet”) and its distribution to the Class Members have been implemented pursuant to the Agreement and Preliminary Approval Order. The Court finds that the Notice Packet:

- a. Constitutes notice reasonably calculated to apprise the Class Members of:
 - (i) the pendency of this lawsuit; (ii) material terms and provisions of the Settlement and their rights; (iii) their right to object to any aspect of the Agreement; (iv) their right to exclude themselves from the Settlement; (v) their right to receive settlement payments; (vi) their right to appear at the Final Approval Hearing; and (vii) the binding effect of the orders and judgment in this lawsuit on all Class Members;
- b. Constitutes notice that fully satisfied the requirements of Code of Civil Procedure section 382, Rule of Court 3.769, and due process;
- c. Constitutes the best practicable notice to the Class Members under the circumstances of this lawsuit; and
- d. Constitutes notice reasonable, adequate, and sufficient to Class Members.

6. Enforcement of the Settlement. Nothing in this Order and Judgment shall preclude any action to enforce the terms and provisions of the Settlement.

7. Final Settlement Approval. The terms and provisions of the Settlement Agreement have been entered into in good faith, resulting from arm’s-length negotiations by experienced counsel who have carried out and meaningfully investigated the disputed claims. The Settlement Agreement and all its terms and provisions are fully and finally approved as fair,

reasonable, adequate, and in the best interests of the Parties. The Parties shall implement the Settlement Agreement according to its terms and provisions.

8. Binding Effect. All Parties, including each and all the Class Members, are bound by the Settlement Agreement and Order and Judgment. All the Class Members shall be deemed to have entered the Settlement Agreement.

9. Gross Settlement Amount. The Court approves the payment of the Gross Settlement Amount of \$350,000 to be paid by Defendant.

10. Attorneys' Fees and Costs. The Court finds the attorneys' fees of \$122,500, to be reasonable and appropriate. The Court finds the attorneys' costs for reimbursement of actual litigation costs of \$[REDACTED], to be reasonable and appropriate. Such fees and costs are to be paid pursuant to the terms and provisions of the Settlement Agreement. Defendant shall not be required to pay for any other attorneys' fees and expenses, costs, or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or Class Members. Defendant shall also not be required to pay for any other attorneys' fees or expenses, costs, or disbursements incurred by Plaintiff or Class Members in connection with or related to this matter.

- a. The courts have an independent right and responsibility to review the attorneys' fees and only award so much as determined reasonable. (*Garabedian v. Los Angeles Cellular Telephone Co.* (2004) 118 Cal.App.4th 123, 127-128.) The attorneys' fees of \$122,500 (35% of the Gross Settlement Amount) are supported by the percentage fee method. (*Laffitte v. Robert Half International, Inc.* (2016) 1 Cal.5th 480, 504.) Considering the results achieved, financial risk undertaken, difficulty of this litigation, skills required, percentage fees awarded in other cases, and contingent fees charged in the private marketplace, the Court finds that the attorneys' fees is reasonable and is approved.

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b. The Court has reviewed the Declaration of Douglas Han regarding costs expended in prosecuting this case. Pursuant to the Settlement, Class Counsel may seek reimbursement of up to \$25,000 in litigation costs. The Court finds that Class Counsel expended \$ [REDACTED] in litigation costs and that such costs were reasonable. Thus, the Court approves the attorneys' costs of \$ [REDACTED] as reimbursement of Class Counsel's litigation costs.

11. Class Representative Enhancement Payment. The Court finds the Class Representative Enhancement Payment of \$10,000, to be paid to Plaintiff out of the Gross Settlement Amount, to be reasonable and appropriate. The Class Representative Enhancement Payment is to be paid pursuant to the terms and provisions set forth in the Settlement Agreement.

a. The rationale for making enhancement payments is that the class representatives should be compensated for the expense and risk incurred in conferring a benefit on the Class. Criteria courts consider include: (i) class representative risk in commencing suit; (ii) notoriety and personal difficulties encountered; (iii) amount of time and effort spent by class representatives; (iv) litigation duration; and (v) personal benefit (or lack thereof) enjoyed by the class representatives.

b. The Court has reviewed Plaintiff's declaration outlining Plaintiff's involvement in this case. Given the risks inherent in serving as the class representative, duration of the case, time involved, and benefits created for the Class, the Court approves the Class Representative Enhancement Payment of \$10,000 to be paid to Plaintiff.

12. Settlement Administration Costs. The Court finds the Settlement Administration Costs of \$10,000, to be paid to the Settlement Administrator from the Gross Settlement Amount, to be reasonable and appropriate. The Settlement Administration Costs is to be paid pursuant to the terms and provisions set forth in the Settlement Agreement.

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1 a. The Court has reviewed the Declaration [REDACTED] from ILYM Group,
2 Inc., the Court-approved Settlement Administrator. The Court finds that
3 notice provided to the Class pursuant to the Preliminary Approval Order
4 constitutes the best practicable notice to the Class and satisfied due
5 process. The Court approves the Settlement Administration Costs of
6 \$10,000 for the Settlement Administrator's services in administering the
7 Settlement Agreement.

8 13. PAGA Payment. The Court finds the PAGA Payment of \$25,000, seventy-
9 five percent (75%) of which (\$18,750) will be paid to the California Labor and Workforce
10 Development Agency out of the Gross Settlement Amount and twenty-five percent (25%) of
11 which (\$6,250) will be distributed to the Eligible Aggrieved Employees, on a pro rata basis, to be
12 reasonable and appropriate. The PAGA Payment are to be paid pursuant to the terms and
13 provisions set forth in the Settlement Agreement.

14 14. Fairness of the Settlement. As noted in the Preliminary Approval Order,
15 the Settlement is entitled a presumption of fairness. In the moving papers, Plaintiff contends the
16 Settlement was the product of arm's-length negotiations following litigation, discovery, and
17 exchange of documentation. The negotiations were facilitated with the aid of Kelly Knight, an
18 experienced, well-respected mediator.

19 a. There were [REDACTED] objections to and [REDACTED] requests for exclusion from the
20 Settlement, displaying the fairness of the Settlement. The Class Members
21 who excluded themselves from the Settlement are [REDACTED].

22 b. The fairness of the Settlement is further shown by the gross *average*
23 Individual Settlement Payment being approximately \$[REDACTED], and the
24 gross *highest* Individual Settlement Payment being about \$[REDACTED].

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1 15. Funding of the Gross Settlement Amount. Defendant will make a single
2 payment of Three Hundred Fifty Thousand Dollars (\$350,000) into the Qualified Settlement
3 Fund within thirty (30) calendar days of the Effective Date or March 12, 2026, whichever date is
4 later. Within fourteen (14) calendar days of Defendant funding of the Gross Settlement Amount,
5 the Settlement Administrator will issue payments to the appropriate entities and persons.

6 16. Uncashed Checks. The Class Members must cash or deposit their
7 settlement checks within one hundred eighty (180) calendar days after the checks are issued.
8 Uncashed settlement checks will be canceled and transmitted to the State Controller's Unclaimed
9 Property Fund in the name of the Class Member.

10 a. The Settlement Administrator is directed to mail the Individual Settlement
11 Payments in envelopes bearing the notation, "YOUR CLASS ACTION
12 SETTLEMENT CHECK IS ENCLOSED" and to take all actions in
13 furtherance of the settlement administration.

14 b. The Settlement Administrator will mail reminder postcards to any Class
15 Member whose settlement check has not been negotiated within sixty (60)
16 days after its mailing.

17 c. If any of the Class Members are current employees of Defendant, the
18 distribution mailed to those employees is returned to the Settlement
19 Administrator as being undeliverable, and the Settlement Administrator is
20 unable to locate a valid mailing address, the Settlement Administrator
21 shall arrange with Defendant to have those distributions delivered to the
22 employees at their place of employment.

23 17. Notice of Entry of Judgment. The Settlement Administrator will provide
24 the Class Members notice of entry of judgment by posting the signed Order and Judgment onto
25 the static website created and maintained by the Settlement Administrator.

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1 18. Final Report (Non-Appearence) Hearing. A Final Report (Nonappearance)
2 Hearing is scheduled for [REDACTED] before this same court and department. At least five (5) court
3 days before this hearing, Plaintiffs shall file a report (declaration) along with an amended
4 judgment containing the following information: (a) date the checks were mailed; (b) total
5 number of checks mailed to the Class Members; (c) average amount of those checks; (d) number
6 of checks that remain uncashed; (e) total value of those uncashed checks; (f) average amount of
7 the uncashed checks; and (g) nature and date of the disposition of those unclaimed funds.

8 19. Modification of the Agreement. The Agreement may be amended or
9 modified only by a written instrument signed by all Parties and their counsel or their
10 representatives/successors-in-interest. Such amendments or modifications shall be consistent
11 with this Order and Judgment and cannot limit the rights of the Class Members.

12 20. Retention of Jurisdiction. The Court has jurisdiction to enter this Order
13 and Judgment. This Court expressly retains jurisdiction for the administration, interpretation,
14 effectuation, and/or enforcement of the Settlement Agreement and of this Order and Judgment,
15 and for any other necessary purpose, including, without limitation:

- 16 a. Entering such additional orders as may be necessary or appropriate to
17 protect or effectuate this Order and Judgment approving the Settlement
18 Agreement, and permanently enjoining Plaintiff from initiating or
19 pursuing related proceedings, or to ensure the fair and orderly
20 administration of the Settlement Agreement;
- 21 b. Enforcing the terms and provisions of the Settlement Agreement and
22 resolving any disputes, claims, or causes of action in this lawsuit that, in
23 whole or in part, are related to or arise out of the Settlement Agreement or
24 this Order and Judgment; and
- 25 c. Entering any other necessary or appropriate orders to protect and
26 effectuate this Court's retention of continuing jurisdiction.

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1 The Motion for Final Approval of Class Action Settlement, Attorneys' Fees and Costs,
2 and Class Representative Enhancement Payment is GRANTED. The Settlement Administrator is
3 directed to carry out the terms of the Settlement Agreement forthwith.

4 THE PARTIES ARE ORDERED TO COMPLY WITH THE TERMS OF THE
5 SETTLEMENT AGREEMENT. PURSUANT TO RULES OF COURT 3.769, THE COURT
6 ENTERS FINAL JUDGMENT BASED UPON THE TERMS OF THIS ORDER AND
7 SETTLEMENT AGREEMENT AND, WITHOUT AFFECTING THE FINALITY OF THIS
8 MATTER, RETAINS EXCLUSIVE AND CONTINUING JURISDICTION TO ENFORCE
9 THIS ORDER, THE SETTLEMENT AGREEMENT, AND THE JUDGMENT THEREON.

10 IT IS SO ORDERED.

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12 DATED: _____

13 HONORABLE HAROLD W. HOPP
14 SUPERIOR COURT JUDGE
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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, California 91103 and my electronic service address is nalonsoesteban@justicelawcorp.com

On February 23, 2026, I served the foregoing document described as

JOINT STIPULATION AND SETTLEMENT AGREEMENT

for the following case: **Pelayo v. Stretch Forming Corporation**
LWDA/Court Case No.: **LWDA Case No.: CM-975300-23**
Court Case No.: CVRI2306016
Riverside County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

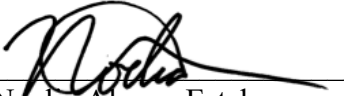
[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

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

Executed on February 23, 2026, at Pasadena, California.


Noelia Alonso Esteban