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Attorney for Defendants

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN JOAQUIN

DALLAS KELLER, individually, and on behalf of)
other members of the general public similarly
situated;

Plaintiffs,

v.

BOBCAT CENTRAL, INC., a California
corporation; and DOES 1 through 100, inclusive;
Defendants.

Case No.: STK-CV-UOE-2023-0001968

Assigned For All Purposes to:
Honorable Blanca A. Banuelos
Department 10B

**JOINT STIPULATION AND
SETTLEMENT AGREEMENT**

Complaint Filed: February 28, 2023
FAC Filed: January 31, 2024
SAC Filed: December 12, 2024
Trial Date: None Set

1 **JOINT STIPULATION AND SETTLEMENT AGREEMENT**

2 This Joint Stipulation and Settlement Agreement (“Settlement Agreement,” “Settlement,” or
3 “Agreement”) is made and entered into by and between Plaintiffs Dallas Keller and Joel Rojas
4 (“Plaintiffs,” “Plaintiff Keller,” “Plaintiff Rojas,” and “Class Representatives”), individually and on
5 behalf of other members of the general public similarly situated and/or other aggrieved employees, on
6 the one hand, and Defendants Bobcat Central, Inc. and DNF, Inc. (“Defendants,” “Defendant Bobcat
7 Central,” and “Defendant DNF”), on the other hand (collectively, known as the “Parties”).

8 Subject to approval of the Court pursuant to the Rules of Court, this Settlement Agreement shall
9 be binding on Plaintiffs, Class Counsel, the Class, all aggrieved employees (including the State of
10 California as their representative), and Defendants, along with the other Released Parties, subject to the
11 terms and conditions hereof and the approval of the Court.

12 **RECITALS**

13 1. On February 28, 2023, Plaintiff Keller filed a wage-and-hour class action lawsuit in the
14 Superior Court of California, County of San Joaquin (Case No. STK-CV-UOE-2023-0001968), alleging
15 violations of: (a) Labor Code sections 510 and 1198 (unpaid overtime); (b) Labor Code sections 226.7
16 and 512(a) (unpaid meal period premiums); (c) Labor Code section 226.7 (unpaid rest period
17 premiums); (d) Labor Code sections 1194 and 1197 (unpaid minimum wages); (e) Labor Code sections
18 201 and 202 (final wages not timely paid); (f) Labor Code section 226(a) (non-compliant wage
19 statements); (g) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (h)
20 Business & Professions Code section 17200, *et seq.*

21 2. On September 18, 2023, Plaintiff Rojas provided written notice to the California Labor
22 and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code he
23 contends were violated and the theories supporting his contentions.

24 3. On January 31, 2024, Plaintiff Keller filed a First Amended Complaint that added
25 Plaintiff Rojas as a named plaintiff and added a cause of action for violation of Labor code 2698, *et seq.*
26 (Private Attorneys General Act of 2004 (“PAGA”)).

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1 4. After engaging in discovery, investigations, and negotiations, on October 30, 2024, the
2 Parties remotely attended mediation with the mediator Brandon McKelvey, resulting in the Parties
3 reaching a tentative settlement.

4 5. In line with the settlement, on December 12, 2024, Plaintiffs filed a Second Amended
5 Complaint that: (a) adjusted the “class” and “aggrieved employees” definitions; and (b) and added
6 Defendant DNF as a named defendant.

7 6. Defendants deny all the material allegations set forth in this action and have asserted
8 numerous affirmative defenses. In the interest of avoiding further litigation, Defendants desire to settle
9 all actual or potential claims fully and finally by Plaintiffs, the Class, and all aggrieved employees.

10 7. Plaintiffs’ counsel in the Action, Justice Law Corporation (“Class Counsel”), diligently
11 investigated the claims of the Class against Defendants, including all applicable defenses and applicable
12 law. The investigation included, *inter alia*, exchanging information pursuant to formal and informal
13 discovery, reviewing numerous corporate policies and practices, and reviewing time and wage records
14 and data of numerous employees.

15 8. The settlement discussions during and after mediation were conducted at arm’s-length
16 and this Settlement Agreement is the result of an informed and detailed analysis of Defendants’ total
17 potential liability exposure in relation to the costs and risks associated with continued litigation.

18 9. Based on the data produced as well as Class Counsel’s own independent investigation
19 and evaluation, Class Counsel believes the settlement with Defendants for consideration and on the
20 terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest
21 of the Class and aggrieved employees considering all known facts and circumstances.

22 10. This Agreement is made and entered by and between Plaintiffs individually, and on
23 behalf of all other members of the general public similarly situated and aggrieved employees, and
24 Defendants, and is subject to the terms and conditions hereof and to the Court’s approval. The Parties
25 expressly acknowledge this Agreement is entered solely for the purpose of compromising significantly
26 disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendants. If this
27 Agreement is not approved, it will be of no force or effect.

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11. “Action” means the lawsuit in the matter entitled *Keller, et al. v. Bobcat Central, Inc., et al.* (Case No. STK-CV-UOE-2023-0001968), initially filed on February 28, 2023 in the Superior Court of California, County of San Joaquin.

13. “Claimants” means all Class Members who submit timely and valid Claim Forms for participation in the Class Action Settlement.

15. “Claims Administrator” means Phoenix Class Action Administration Solutions, a third-party class action settlement claims administrator agreed to by the Parties and approved by the Court for purposes of administering this Settlement. The Parties each represent that they do not have any financial interest in the Claims Administrator or otherwise have a relationship with the Claims

1 Administrator that could create a conflict of interest.

2 16. "Claims Administration Costs" means the costs payable from the Maximum Settlement
3 Amount to the Claims Administrator for administering this Settlement, including, but not limited to: (a)
4 printing, distributing, and tracking documents for this Settlement; (b) calculating settlement payments;
5 (c) tax reporting; (d) distributing the appropriate settlement amounts to the appropriate persons and
6 entities; (e) providing necessary reports and declarations; (f) paying the costs of uncashed or returned
7 checks to the California Controller's Unclaimed Property Fund, and (g) performing other duties and
8 responsibilities set forth herein to process this Settlement and as requested by the Parties. The Claims
9 Administration Costs will not exceed \$15,000. Any portion of the Claims Administration Costs that are
10 not awarded to the Claims Administrator will be a part of the Net Settlement Amount, for distribution
11 in conformity with this Agreement.

12 17. "Class Counsel" means Justice Law Corporation, which will seek to be appointed counsel
13 for the Class.

14 18. "Class Lists" mean a complete list of all Class Members within the Class that Defendants
15 will in good faith compile from their records and provide only to the Claims Administrator. The Class
16 List will be formatted in a readable Microsoft Office Excel spreadsheet and will include each Class
17 Member's: (a) full name; (b) most recent mailing address; (c) Social Security number (if known); (d)
18 dates of employment as an hourly-paid or non-exempt employee in California; and (e) other relevant
19 information needed to calculate their settlement payments.

20 19. "Class Member(s)" or "Class" means all current and former hourly-paid or non-exempt
21 employees employed by Defendants within the State of California at any time during the Class Period.
22 It is estimated that there are 300 Class Members who worked a total of 21,229 Workweeks within the
23 Class Period.

24 20. "Class Period" means the period from February 28, 2019, through January 30, 2025.

25 21. "Class Representative Enhancement Payments" means the amount to be paid to Plaintiffs
26 in recognition of the efforts and work in prosecuting the Action on behalf of the Class Members. The
27 Parties agree each Plaintiff will be paid up to \$10,000 from the Maximum Settlement Amount (totaling
28 \$20,000) for their services on behalf of the Class, subject to the Court granting final approval of this

Settlement Agreement. Any portion of the Class Representative Enhancement Payments not awarded to Plaintiffs will be a part of the Net Settlement Amount for distribution in conformity with this Agreement.

22. "Court" means the Superior Court of California, County of San Joaquin.

23. "Defendants" means Bobcat Central, Inc. and DNF, Inc.

24. "Defendants' Counsel" means counsel for Defendants who are:

Elizabeth B. Stallard
BUCHALTER APC
500 Capitol Mall, Suite 1900
Sacramento, California 95814
Telephone (916) 945-5231
Facsimile: (916) 930-0151

25. "Effective Date" means the later of the following dates: (a) if no objection to the Settlement is made, then no later than fourteen (14) calendar days after entry of the order granting final approval; (b) if an objection is made to the Settlement but no appeal filed, then no later than fourteen (14) calendar days after the running of the appeal period; or (c) if an appeal is filed, then no later than fourteen (14) calendar days after the Judgment becomes final and is no longer subject to appeal.

26. "Individual Settlement Payment" means each Claimant's share of the Net Settlement Amount. Claimant settlement shares will be calculated pro rata based on the total Workweeks of active service per class member during the Class Period.

27. "Maximum Settlement Amount" means the maximum settlement amount of \$810,000 to be paid by Defendants in full satisfaction of all claims arising from the Action, which includes all Individual Settlement Payments, Attorneys' Fees and Costs, Class Representative Enhancement Payments, Claims Administration Costs, and PAGA Payment. The Maximum Settlement Amount has been agreed to by the Parties based on the aggregation of the agreed-upon settlement value of individual claims. In no event will Defendants be liable for more than the Maximum Settlement Amount aside from the Escalator Clause being triggered.

28. "Net Settlement Amount" means the portion of the Maximum Settlement Amount remaining after deduction of the approved Attorneys' Fees and Costs, Class Representative Enhancement Payments, Claims Administration Costs, and PAGA Payment. The Net Settlement Amount will be distributed on a claims-made basis. The Net Settlement Amount will be distributed to Class Members based on the number of Workweeks worked by the Class Members on a claims-made

basis. The Parties agree the amount distributed to the Claimants will equal at least fifty percent (50%) of the Net Settlement Amount. If the total Individual Settlement Payments to the Claimants would equal less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that total Individual Settlement Payments equal fifty percent (50%) of the Net Settlement Amount. Any unclaimed amounts above fifty percent (50%) of the Net Settlement Amount will be the exclusive property of Defendants.

29. “Notice of Class Action Settlement” means the Court approved notice to be mailed to Class Members in the form, without material variation, attached as **Exhibit A** and incorporated by reference into this Settlement Agreement.

30. “Notice of Objection” or “Objection” means a Class Member’s valid and timely written objection to this Settlement Agreement. For the Notice of Objection to be valid, it must be timely and include: (a) objector’s full name, signature, address, and telephone number, (b) written statement of all grounds for the objection accompanied by any legal support for such objection, (c) clear reference to the title of this case and case number, and (d) copies of any papers, briefs, or other documents upon which the objection is based.

31. “Notice Packet” means the Notice of Class Action Settlement and Claim Form that will be mailed to the Class Members.

32. “PAGA Aggrieved Employee” means all current and former hourly-paid or non-exempt employees employed by Defendants within the state of California at any time during the PAGA Period. It is estimated that there are 174 PAGA Aggrieved Employees who worked a total of 4,661 pay periods within the PAGA Period.

33. “PAGA Payment” means the amount of \$50,000, which the Parties have agreed to allocate for penalties pursuant to PAGA. The Parties have agreed the PAGA Payment will be paid out of the Maximum Settlement Amount. Pursuant to PAGA, seventy-five percent (75%) of the PAGA Payment (\$37,500) will be paid to the LWDA, and twenty-five percent (25%) of the PAGA Payment (\$12,500) will be distributed, pro rata, based on pay periods worked to all PAGA Aggrieved Employees.

34. “PAGA Period” means the period from September 18, 2022, through January 30, 2025.

35. “Parties” means Plaintiffs and Defendants.

36. “Plaintiffs” means Dallas Keller and Joel Rojas.

37. “Preliminary Approval” means the Court order granting preliminary approval of this Settlement Agreement.

38. “Qualified Settlement Fund” or “QSF” means a fund within the meaning of Treasury Regulations section 1.46B-1, 26 C.F.R. section 1.468B-1 *et seq.* that is established by the Claims Administrator for the benefit of Claimants, Plaintiffs, and Class Counsel.

39. “Released Claims” as it pertains to the Class Members include, but are not limited to, all claims and causes of action that were alleged, or could have been alleged, in the operative complaint or in Plaintiff Rojas’ written notice to the LWDA and occurred during the Class Period. These include, but are not limited to: (a) all claims for failure to pay overtime wages; (b) all claims for failure to pay earned incentive pay; (c) all claims for failure to pay sick leave pay; (d) all claims for failure to pay minimum wages; (e) all claims for the failure to provide meal and/or rest periods in accordance with applicable law and failure to pay applicable premium wages; (f) all claims for failure to reimburse business expenses; and (g) any and all claims for recordkeeping or pay stub violations, waiting time penalties, and all other statutory penalties, including those recoverable under the Business & Professions Code section 17200, *et seq.* and any other provision of the Labor Code, including, but not limited to, Labor Code section 2698, *et seq.* (PAGA) or any applicable Industrial Welfare Commission Wage Orders, in all their iterations.

40. “Released Parties” means Defendants and their parents, owners, shareholders, managers, members, predecessors, successors, all affiliates, subsidiaries, officers, directors, members, agents (including any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present, or future officers, directors, and employees), employees, and stockholders.

41. “Request for Exclusion” means a timely letter submitted by a Class Member indicating a request to be excluded from the class portion of this Settlement. The Request for Exclusion must: (a) be signed by the Class Member; (b) contain the name, address, telephone number, and last four digits of the Social Security number of the Class Member requesting exclusion; (c) clearly state the name of this case, the case number, and that the Class Member does not wish to be included in the class portion of

the Settlement; (d) be returned by mail or fax to the Claims Administrator at the specified address and/or facsimile number; and (e) be postmarked or faxed on or before the Response Deadline. The date of the postmark or fax on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted.

42. "Response Deadline" means the deadline by which Class Members must postmark or fax to the Claims Administrator valid Claim Forms, Requests for Exclusion, Notices of Objection, or written disputes regarding this Settlement. The Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Claims Administrator, unless the forty-fifth (45th) day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. The Response Deadline for Claim Forms, Requests for Exclusion, Notices of Objection, or written disputes regarding this Settlement will be extended by fourteen (14) calendar days for any Class Member who is re-mailed a Notice Packet by the Claims Administrator, unless the fourteenth (14th) day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open. Under no circumstances will the Claims Administrator have the authority to extend the deadline for Class Members to submit a Claim Form, Request for Exclusion, Notice of Objection, or written disputes regarding this Settlement.

43. "Settlement Class Member(s)" means Class Members who do not timely request exclusion from this Settlement and who will be bound by all terms of this Settlement if the Settlement is granted final approval.

44. "Workweeks" means the number of weeks of employment that a Class Member worked for either Defendant as an hourly-paid or non-exempt employee in the State of California at any time during the Class Period. The Claims Administrator will calculate the number of Workweeks by calculating the number of days each Class Member was employed during the Class Period, dividing by seven (7), and rounding up or down to the nearest whole number, as appropriate (for example, 7.50 would round to 8; 7.49 would round to 7). Each Claimant shall be entitled to payment for at least one (1) Workweek.

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49. Plaintiffs and Class Counsel will fairly and adequately protect the interests of the Class. If this Settlement is not approved or is terminated, it shall be null and void and shall not be admissible for any purpose.

50. The prosecution of separate actions by individual members of the Class would create the risk of inconsistent or varying adjudications, which would establish incompatible standards of conduct. If this Settlement is not approved or is terminated, it shall be null and void and shall not be admissible for any purpose.

51. Plaintiffs believe that questions of law and fact common to the Class Members predominate over any questions affecting any individual Class Member and that a class action is superior to other available means for the fair and efficient adjudication of this controversy.

TERMS OF AGREEMENT

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

52. Funding of the Maximum Settlement Amount. On the Effective Date, the Claims Administrator will provide the Parties with an accounting of the amounts to be paid by Defendants pursuant to this Settlement. On the Effective Date, Defendants will also deposit all Court-approved payments from the Maximum Settlement Amount into the QSF account. There is no penalty for prepayment of the Maximum Settlement Amount.

53. Payment Schedule for All Settlement Payments. Within seven (7) calendar days of Defendants funding the Maximum Settlement Amount, the Claims Administrator will calculate all payments due under this Settlement. Within fourteen (14) calendar days of Defendants funding the Maximum Settlement Amount, all payments due under this Settlement will be sent out to the appropriate persons and entities. Individual Settlement Payments shall be mailed by regular First-Class U.S. Mail to the Claimant's last known mailing address.

54. Attorneys' Fees and Costs. Defendants agree not to oppose or impede any application or motion by Class Counsel for Attorneys' Fees and Costs of not more than \$283,500 (35% of the Maximum Settlement Amount) plus the reimbursement of costs and expenses associated with Class Counsel's litigation and settlement of the Action not to exceed \$25,000, both of which will be paid from

1 the Maximum Settlement Amount. Any Attorneys' Fees and Costs awarded by the Court shall not
2 constitute payment to any Class Member(s). To the extent that the Court approves less than the amount
3 of attorneys' fees and/or costs that Class Counsel requests, the difference will be reallocated to the Net
4 Settlement Amount. Except for the Attorneys' Fees and Costs set forth in this Agreement, the Parties
5 agree to bear their own attorneys' fees and costs related to this Action. In consideration of their awarded
6 Attorneys' Fees and Costs, Class Counsel waives all claims to any further attorneys' fees and expenses
7 in connection with this Agreement.

8 55. Class Representative Enhancement Payments. In recognition of Plaintiffs' effort and
9 work in prosecuting the Action on behalf of Class Members and in exchange for a full release of all
10 known and unknown claims, Defendants agree not to oppose or impede any application or motion for
11 Class Representative Enhancement Payments of up to \$10,000 to each Plaintiff (totaling \$20,000). The
12 Class Representative Enhancement Payments will be paid from the Maximum Settlement Amount and
13 shall not constitute payment to any Claimant(s). To the extent that the Court approves less than the
14 amount of the Class Representative Enhancement Payments that Class Counsel requests, the difference
15 will be reallocated to the Net Settlement Amount. The Settlement Administrator will not withhold any
16 taxes from the Class Representative Enhancement Payments. The Claims Administrator will issue an
17 IRS Form 1099 for the Class Representative Enhancement Payments to Plaintiffs, and Plaintiffs shall
18 be solely and legally responsible for correctly characterizing this compensation for tax purposes and for
19 paying any taxes on the amounts received.

20 55(a) General Release by the Class Representative. As a condition of this Settlement,
21 Plaintiffs shall separately release the Released Parties from all claims,
22 transactions, or occurrences that occurred during the Class Period. This includes:
23 (i) all claims that were, or could have been, alleged based on the facts contained
24 in the operative complaint; and (ii) all PAGA claims that were, or could have
25 been, alleged based on facts contained in the written notice to the LWDA. This
26 general release does not extend to any claims or actions to enforce this Settlement,
27 or to any claims for vested benefits, unemployment benefits, disability benefits,
28 social security benefits, workers' compensation benefits that arose at any time, or

1 based on occurrences outside the Class Period. Plaintiffs acknowledge that they
2 may discover facts or law different from, or in addition to, the facts or law
3 Plaintiffs now know or believe to be true but agree that this general release shall
4 be and remain effective in all respects, notwithstanding such different or
5 additional facts or the discovery of them.

6 56. Claims Administration Costs. The Claims Administrator will be paid for the reasonable
7 costs of administration of the Settlement and distribution of payments from the Maximum Settlement
8 Amount, not to exceed \$15,000. These costs, which will be paid from the Maximum Settlement Amount,
9 will include, *inter alia*: (a) printing, distributing, and tracking documents for this Settlement; (b)
10 calculating settlement payments; (b) tax reporting; (c) distributing the appropriate settlement amounts
11 to the appropriate persons and entities, including, but not limited to, paying the PAGA Payment to the
12 LWDA; (d) providing necessary reports and declarations; and (e) performing other duties and
13 responsibilities set forth herein to process this Settlement and as requested by the Parties. Any portion
14 of the Claims Administration Costs not awarded to the Claims Administrator will be reallocated to the
15 Net Settlement Amount.

16 56(a) Acknowledgement of Potential Administration Cost Increase. The Parties
17 acknowledge that Claims Administration Costs may increase above the current
18 estimate and that any such additional Claims Administration Costs will be taken
19 out of the Maximum Settlement Amount. Any portion of the estimated or
20 designated Claims Administration Costs that are not required to fulfill the total
21 Claims Administration Costs will flow through to the Net Settlement Amount.

22 57. PAGA Payment. Subject to Court approval, the Parties agree that the amount of \$50,000
23 from the Maximum Settlement Amount will be designated for satisfaction of the PAGA Aggrieved
24 Employees' PAGA claims. Seventy-five percent (75%) of the PAGA Payment (\$37,500) will be paid
25 to the LWDA, and twenty-five percent (25%) of the PAGA Payment (\$12,500) will be distributed to
26 the PAGA Aggrieved Employees, pro rata, based on the number of pay periods a PAGA Aggrieved
27 Employee worked during the PAGA Period.

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1 57(a) The Claims Administrator will calculate the total number of pay periods worked
2 by each individual PAGA Aggrieved Employee (“Individual Pay Periods”) to
3 determine the total number of pay periods worked by all PAGA Aggrieved
4 Employees (“Total PAGA Pay Periods”) during the PAGA Period. Defendants
5 shall provide the Claims Administrator such information as is necessary to
6 calculate the individual PAGA Aggrieved Employee’s Pay Periods and Total
7 PAGA Pay Periods.

8 57(b) To determine each PAGA Aggrieved Employee’s estimated portion of the PAGA
9 Payment, the Claims Administrator will use the following formula: estimated
10 individual PAGA Payment = $(12,500 \div \text{Total PAGA Pay Periods}) \times \text{Individual}$
11 Pay Periods for each individual PAGA Aggrieved Employee.

12 57(c) The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be
13 designated as one hundred percent (100%) penalties, for which IRS Form 1099s
14 will be issued.

15 58. Net Settlement Amount. The Net Settlement Amount will be used to satisfy Individual
16 Settlement Payments to Claimants in accordance with the terms of this Agreement. If the total Individual
17 Settlement Payments to the Claimants would equal less than fifty percent (50%) of the Net Settlement
18 Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for
19 each Claimant to ensure that total Individual Settlement Payments equal fifty percent (50%) of the Net
20 Settlement Amount. Any unclaimed amounts above fifty percent (50%) of the Net Settlement Amount
21 will be the exclusive property of Defendants.

22 59. Individual Settlement Payment Calculations. Individual Settlement Payments will be
23 calculated and apportioned from the Net Settlement Amount based on the number of Workweeks a Class
24 Member worked during the Class Period.

25 59(a) The Claims Administrator will calculate the total number of Workweeks worked
26 by each individual Class Member (“Individual Workweeks”) to determine the
27 total number of Workweeks worked by all Class Members (“Class Workweeks”)
28 during the Class Period. Defendants shall provide the Claims Administrator such

information to calculate the Individual Workweeks and Class Workweeks.

59(b) To determine each Class Member's estimated Individual Settlement Payment, the Claims Administrator will use the following formula: estimated Individual Settlement Payment = (Net Settlement Amount ÷ Class Workweeks) x Individual Workweeks for each individual Class Member.

59(c) If the total Individual Settlement Payments to the Claimants would equal less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that total Individual Settlement Payments equal fifty percent (50%) of the Net Settlement Amount.

59(d) The Individual Settlement Payments will be reduced by any required deductions for each Claimant as set forth herein, including employee-side tax and withholdings with respect to wage portion of Individual Settlement Payments.

60. Individual Settlement Payments Do Not Trigger Additional Benefits. All Individual Settlement Payments to Class Members shall be deemed to be paid to such Class Members solely in the year in which such payments are received by the Class Members. It is expressly understood and agreed that the receipt of such Individual Settlement Payments will not entitle any Class Member to additional compensation or benefits under any company bonus, contest, other compensation, benefit plan, or agreement in place during the period covered by this Settlement, nor will it entitle any Class Member to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits. The Individual Settlement Payments provided for in this Settlement are the sole payments to be made by Defendants to the Class Members, and the Class Members are not entitled to any new or additional compensation or benefits because of having received the Individual Settlement Payments.

61. Claims Administration Process. The Parties agree to cooperate in the administration of the Settlement and to make all reasonable efforts to control and minimize the costs and expenses incurred in administration of the Settlement.

62. Delivery of the Class List(s). Within fourteen (14) calendar days of Preliminary Approval, Defendants will provide the Class List(s) to the Claims Administrator.

1 63. Notice by First-Class U.S. Mail. Prior to mailing, the Claims Administrator will perform
2 a National Change of Address Database (“NCOA”) check, such as provided by Experian or any other
3 similar services available, for information to update and correct for any known or identifiable address
4 changes. Within fourteen (14) calendar days of receiving the Class List(s), the Claims Administrator
5 will mail a Notice Packet to all Class Members via regular First-Class U.S. Mail, using the most current,
6 known mailing addresses available.

7 64. Returned Notice Packets. Any Notice Packets returned to the Claims Administrator as
8 non-deliverable on or before the Response Deadline will be sent promptly via regular First-Class U.S.
9 Mail to the forwarding address affixed thereto, and the Claims Administrator will indicate the date of
10 such re-mailing on the Notice Packet. If no forwarding address is provided, the Claims Administrator
11 will promptly attempt to determine the correct address using a skip-trace and will then perform a single
12 re-mailing within five (5) calendar days after return of the Notice Packet. Those Class Members who
13 receive a re-mailed Notice Packet, whether by skip-trace or by request, have an additional fourteen (14)
14 calendar days to postmark or fax a Claim Form, Request for Exclusion, Notice of Objection, or written
15 dispute regarding the Settlement.

16 65. Notice Packets. Each Notice Packet will provide: (a) information regarding the nature of
17 this Action; (b) summary of this Settlement’s principal terms; (c) Class definition; (d) total number of
18 Workweeks each Class Member worked for Defendants during the Class Period; (e) each Class
19 Member’s estimated Individual Settlement Payment and formula for calculating their Individual
20 Settlement Payments; (f) instructions on how to submit valid Claim Forms, Requests for Exclusion,
21 Notices of Objection, or written disputes regarding Workweeks; (g) requirements relating to, and
22 deadlines by which the Class Member must submit Claim Forms, Requests for Exclusions, Notices of
23 Objection, and written disputes regarding Workweeks; (h) claims to be released; and (i) date and time
24 of the Final Approval Hearing.

25 66. Claim Form Procedures. To receive Individual Settlement Payments, all Class Members
26 will be required to submit a timely and valid Claim Form within the Response Deadline. All Claim
27 Forms must be signed and returned to the Claims Administrator via first class mail or fax and
28 postmarked or faxed by the Response Deadline. The date of the postmark or fax on the return mailing

1 envelope will be the exclusive means to determine whether a Claim Form has been timely submitted.
2 The Claims Administrator will compile a list of Claim Forms rejected for: (a) failure to cure an unsigned
3 Claim Form; or (b) late submission of the Claim Form. As to the Class Members on that rejected claim
4 list, any Class Member who requests, in a signed letter, to receive payment in this Settlement will be
5 treated like a Claimant if that written request is received by the Effective Date.

6 67. Disputed Information on Notice Packets. Class Members may dispute the information
7 provided in their Notice Packets and must do so in writing via first class mail or fax, and the dispute
8 must be postmarked or faxed within the Response Deadline. To the extent Class Members dispute the
9 number of Workweeks to which they have been credited or the amount of their Individual Settlement
10 Payment, Class Members must produce evidence to the Claims Administrator showing that such
11 information is inaccurate. Absent evidence rebutting Defendants' records, Defendants' records will be
12 presumed determinative. If a Class Member produces evidence to the contrary, the Parties will evaluate
13 the evidence submitted by the Class Member and will make the final decision as to the number of eligible
14 Workweeks that should be applied and/or Individual Settlement Payment to which the Class Member
15 may be entitled. If the Parties cannot resolve the dispute, the Claims Administrator will be the final
16 arbiter of the Workweeks for each Class Member during the Class Period.

17 68. Request for Exclusion Procedures. Any Class Member wishing to opt out from this
18 Settlement must sign and postmark or fax a written Request for Exclusion to the Claims Administrator
19 within the Response Deadline. The date of the postmark or fax on the return mailing envelope will be
20 the exclusive means to determine whether a Request for Exclusion has been timely submitted.

21 68(a) PAGA Aggrieved Employees cannot exclude themselves from the PAGA portion
22 of the settlement.

23 69. Objection Procedures. To object to this Settlement, a Class Member must file a valid
24 Notice of Objection with the Court and serve copies of the Notice of Objection to the Parties within the
25 Response Deadline. The Notice of Objection must be signed by the Class Member and contain all
26 information required by this Settlement. The postmark date of the filing and service will be deemed the
27 exclusive means for determining that the Notice of Objection is timely. Class Members who fail to
28 object in the specific and technical manner specified above will be deemed to have waived all objections

1 to this Settlement and will be foreclosed from making any objections and seeking any adjudication or
2 review, whether by appeal or otherwise, to this Settlement.

3 69(a) At no time will any of the Parties or their counsel solicit, advise, or otherwise
4 encourage Class Members to submit written objections to this Settlement or
5 appeal from the Order and Judgment. Class Counsel, Defendants' Counsel, and
6 Defendants may respond to inquiries from Class Members with truthful
7 information. Class Counsel will not represent any Class Members with respect to
8 any such objections to this Settlement.

9 70. Defective Submissions. If a Class Member's Claim Form or Request for Exclusion is
10 defective as to the requirements listed herein, that Class Member will be given an opportunity to cure
11 the defect(s). The Claims Administrator will mail the Class Member a cure letter within three (3)
12 calendar days of receiving the defective submission to advise the Class Member that his or her
13 submission is defective and that the defect must be cured to render the Claim Form or Request for
14 Exclusion valid. The Class Member will have ten (10) calendar days from the date of the cure letter to
15 postmark or fax a revised Claim Form or Request for Exclusion. If a Class Member responds to a cure
16 letter by filing a defective claim, then the Claims Administrator will have no further obligation to give
17 notice of a need to cure. If the revised Claim Form or Request for Exclusion is not postmarked or faxed
18 within the cure period, it will be deemed untimely.

19 71. Settlement Terms Bind All Class Members Who Do Not Opt Out. Settlement Class
20 Members will be bound by all its terms, including those pertaining to the Released Claims, as well as
21 any Judgment that may be entered by the Court if it grants final approval of the Settlement.

22 72. Reminders. Not earlier than twenty (20) calendar days or later than thirty (30) calendar
23 days after the initial mailing, the Claims Administrator will send a Reminder Postcard to all Class
24 Members who have not returned a Claim Form or Request for Exclusion. All Reminder Postcards will
25 include the Response Deadline and contact information for Class Counsel and Claims Administrator.

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1 73. Certification Reports Regarding Individual Settlement Payment Calculations. The
2 Claims Administrator will provide the Parties' counsel a weekly report which certifies: (a) number of
3 Class Members who have submitted Claim Forms; (b) number of Claimants; (c) number of Class
4 Members who have submitted valid Requests for Exclusion; (d) then current amount and percentage of
5 the Net Settlement Amount claimed by Claimants; and (e) whether any Class Member has submitted a
6 challenge to any information contained in their Claim Form or Notice Packet.

7 74. Unclaimed Funds from the Net Settlement Amount. After all Individual Settlement
8 Payments have been made, any remaining or unclaimed funds from the Net Settlement Amount above
9 fifty percent (50%) shall remain the property of Defendants and shall be returned to Defendants within
10 ten (10) calendar days after the Individual Settlement Payments have been mailed.

11 75. Payroll Taxes. Any and all applicable employer-side payroll taxes relating to the portion
12 of the Individual Settlement Payments paid as wages shall be paid separate from and in addition to the
13 Maximum Settlement Amount.

14 76. Uncashed Settlement Checks. Any checks issued by the Claims Administrator to
15 Claimants will be negotiable for at least one hundred eighty (180) calendar days. Those funds
16 represented by settlement checks returned as undeliverable and those settlement checks remaining
17 uncashed for more than one hundred eighty (180) calendar days after their issuance will be transmitted
18 to California Controller's Unclaimed Property Fund in the name of the Claimant.

19 77. Certification of Completion. Within five (5) calendar days after the Response Deadline,
20 the Claims Administrator will provide a written declaration under oath to certify such completion to the
21 Court and counsel for all Parties. The declaration will include any attempts to obtain valid mailing
22 addresses for and re-sending of any returned Notice Packets, as well as the number of valid and timely
23 exclusions and objections that the Claims Administrator received.

24 78. Administration Costs if Settlement Fails or is Delayed. If the Settlement is voided or
25 rescinded, any costs incurred by the Claims Administrator will be paid equally by the Parties (half by
26 Defendants and half by Class Counsel), unless otherwise specified in this Agreement.

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1 79. Treatment of Individual Settlement Payments. All Individual Settlement Payments will
2 be allocated as follows: (a) twenty percent (20%) as wages; and (b) eighty percent (80%) as interest and
3 penalties. The amounts paid as wages shall be subject to all tax withholdings customarily made from an
4 employee's wages and all other authorized and required withholdings and shall be reported by IRS Form
5 W-2. The amounts paid as interest and penalties shall be subject to all authorized and required
6 withholdings other than the tax withholdings customarily made from employees' wages and shall be
7 reported by IRS Form 1099.

8 80. Administration of Taxes by the Claims Administrator. The Claims Administrator will be
9 responsible for issuing to Plaintiffs, Claimants, and Class Counsel any IRS Form W-2, 1099, or other
10 tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Claims
11 Administrator will also be responsible for forwarding all payroll taxes and penalties to the appropriate
12 government authorities.

13 81. Tax Liability. Defendants make no representation as to the tax treatment or legal effect
14 of the payments called for hereunder, and Plaintiffs and Claimants are not relying on any statement,
15 representation, or calculation by Defendants or by the Claims Administrator in this regard. Plaintiffs
16 and Claimants understand and agree that except for Defendants' payment of the employer's portion of
17 any payroll taxes, they will be solely responsible for the payment of any taxes and penalties assessed on
18 the payments described herein and will defend, indemnify, and hold Defendants and the Released Parties
19 free and harmless from and against any claims resulting from treatment of such payments as non-taxable
20 damages.

21 82. No Assignments. The Parties and their counsel represent, covenant, and warrant that they
22 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
23 encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or
24 right herein released and discharged. None of the rights, commitments, or obligations recognized under
25 this Agreement may be assigned by any Party, Class Member, Class Counsel, or Defendants' Counsel
26 without the express written consent of each other Party and their counsel. The representations,
27 warranties, covenants, and agreements contained in this Agreement are for the sole benefit of the Parties
28 and shall not be construed to confer any right or to avail any remedy to any other person.

1 83. Release of Claims by Class Members. Upon the Effective Date and Defendants funding
2 the Maximum Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have
3 fully, finally, and forever released, settled, compromised, relinquished, and discharged all Released
4 Claims with respect to the Released Parties.

5 84. Waiver of Civil Code Section 1542. Upon the Effective Date and Defendants funding the
6 Maximum Settlement Amount, pursuant to the terms of the Settlement, Plaintiffs expressly waive and
7 relinquish any rights or benefits available under the provisions of section 1542 of the Civil Code, which
8 provides as follows:

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

15 85. Duties of the Parties Prior to Court Approval. The Parties shall promptly submit this
16 Agreement to the Court in support of the Motion for Preliminary Approval and determination by the
17 Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Agreement, the
18 Parties shall apply to the Court for the entry of an order scheduling a Final Approval Hearing on the
19 question of whether the settlement, including payment of Attorneys' Fees and Costs and Class
20 Representative Enhancement Payments, should be finally approved as a fair, reasonable, and adequate
21 settlement. As part of the Motion for Preliminary Approval, Plaintiffs shall also apply to the Court for
22 the entry of an order as follows:

23 85(a) Certifying the Class for the purpose of settlement;

24 85(b) Approving as to form and content the Notice Packet;

25 85(c) Approving the manner and method for Class Members to request exclusion from
26 this Settlement as contained herein and within the Notice of Class Action
27 Settlement;

28 85(d) Directing the mailing of the Notice Packet and Reminder Postcards to the Class
 Members in accordance with this Settlement;

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85(e) Preliminarily approving this Settlement subject only to the objections of Class Members and final review by the Court; and

85(f) Enjoining Plaintiffs and any Class Member from filing or prosecuting any claims, suits, or administrative proceedings (including filing claims with the California Division of Labor Standards Enforcement and the LWDA) regarding the Released Claims unless and until such Class Members have filed valid Requests for Exclusion with the Claims Administrator.

86. Duties of the Parties Following Final Court Approval. Following final approval by the Court of the Settlement provided for in this Agreement, Class Counsel will submit a final order of approval and judgment as follows:

86(a) Approving this Agreement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;

86(b) Approving Class Counsel's application for an award of Attorneys' Fees and Costs;

86(c) Approving the Class Representative Enhancement Payments to Plaintiffs, Claims Administration Costs; and PAGA Payment;

86(d) Setting a date when the Parties shall report to the Court the total amount that was actually paid to the Class Members; and

86(e) Entering judgment in this Action consistent with this Agreement.

87. Nullification of Settlement Agreement. If: (a) the Court does not finally approve the Settlement as provided herein; or (b) the Settlement does not become final for any other reason, then this Settlement Agreement, and any documents generated to bring it into effect, will be null and void. Any order or judgment entered by the Court in furtherance of this Settlement Agreement will be treated as void from the beginning.

88. Preliminary Approval Hearing. Plaintiffs will obtain a hearing before the Court to request the Preliminary Approval of this Settlement, and the entry of a Preliminary Approval Order for: (a) conditional certification of the Class for settlement purposes only; (b) Preliminary Approval of the Settlement; and (c) setting a date for Final Approval Hearing. The Preliminary Approval Order will

provide for the Notice Packet to be sent to all Class Members as specified herein. In conjunction with the Preliminary Approval hearing, Plaintiffs will submit this Settlement that will include the Notice Packet. Class Counsel will be responsible for drafting all documents necessary to obtain preliminary approval. Defendants agree not to oppose the Motion for Preliminary Approval.

89. Final Settlement Approval Hearing and Entry of Judgment. Upon expiration of the Response Deadline and with the Court's permission, a Final Approval Hearing will be conducted to determine the final approval of this Settlement Agreement along with the amounts properly payable for: (a) Individual Settlement Payments; (b) Attorneys' Fees and Costs; (c) Class Representative Enhancement Payments; (d) Claims Administration Costs; and (e) PAGA Payment. Class Counsel will be responsible for drafting all documents necessary to obtain final approval. Class Counsel will also be responsible for drafting the Attorneys' Fees and Costs application to be heard at the Final Approval Hearing and shall submit a Final Approval Order to the Court. Defendants agree not to oppose the Motion for Final Approval and Attorneys' Fees and Costs.

90. Party's Option to Terminate the Settlement. Subject to the obligation(s) of mutual full cooperation, either Party may terminate this Settlement if the Court declines to enter the Preliminary Approval Order, Final Approval Order, or final judgment in substantially the form submitted by the Parties or this Settlement Agreement as agreed does not become final because of appellate court action. The terminating Party shall give to the other Party (through its counsel) written notice of its decision to terminate no later than ten (10) calendar days after receiving notice that one of the enumerated events has occurred. Termination shall have the following effects:

90(a) The Settlement Agreement shall be terminated and shall have no force or effect, and no Party shall be bound by any of its terms;

90(b) If the Settlement is terminated, Defendants shall have no obligation to make any payments to any Party, Class Member, or attorney, except that the Terminating Party shall pay the Claims Administrator for services rendered up to the date the Claims Administrator is notified the Settlement has been terminated;

90(c) The Preliminary Approval Order, Final Approval Order, and Judgment, including any order of class certification, shall be vacated;

90(d) The Settlement Agreement and all negotiations, privileged statements and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to this Settlement Agreement; and

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

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

92. Confidentiality. The Parties and their counsel agree that they will not issue any press releases, initiate any contact with the press, respond to any press inquiry, or have any communication with the press about the fact, amount, or terms of this Settlement. The Parties and their counsel agree that they will not engage in any advertising or distribute any marketing materials relating to this Settlement of this case, including posting terms, amount, or Defendants of this Settlement on Class Counsel's website. Any communication about this Settlement to Class Members prior to preliminary approval being granted will be limited to a statement that a settlement has been reached and the details will be communicated in the Notice of Class Action Settlement. Nothing set forth herein shall prohibit: (a) Defendants from providing truthful disclosure about this Settlement as required under legal obligations, including its amount, in its periodic filings on Form 10-Q or Form 10-K with the United States Securities and Exchange Commission; (b) the Parties from providing this Settlement to the Court in connection with the Parties' efforts to seek the Court's approval of this Settlement; or (c) the Claims Administrator from distributing Notice Packets, posting any judgment on its website, and otherwise complying with its obligations to provide information to affected Class Members and/or PAGA Aggrieved Employees. If contacted by the media regarding this Settlement, Class Counsel will direct any media inquiries to the public records of the Action on file with the Court. Finally, neither Plaintiffs nor Class Counsel will disparage Defendants or the Settlement.

1 93. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
2 entirety of the settlement terms. No other prior or contemporaneous written or oral agreements may be
3 deemed binding on the Parties. The Parties agree that no such extrinsic oral or written representations
4 or terms will modify, vary, or contradict the terms of this Settlement Agreement.

5 94. Amendment or Modification. This Settlement Agreement may be amended or modified
6 only by a written instrument signed by the Parties and their counsel or their successors-in-interest.
7 Material court modification of the Agreement voids it at the option of the adversely affected party,
8 except as to the Attorneys' Fees and Costs, and Class Representative Enhancements.

9 95. State of California Law Governs. All terms of this Settlement Agreement and exhibits
10 hereto will be governed by, construed, and interpreted according to the laws of the State of California,
11 irrespective of the State of California's choice of law principles.

12 96. Authorization to Enter this Settlement Agreement. The Parties' counsel warrant and
13 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
14 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
15 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
16 effectuate the terms of this Settlement Agreement. If the Parties are unable to reach an agreement on
17 the form or content of any document needed to implement this Settlement Agreement, the Parties may
18 seek the assistance of the Court.

19 97. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
20 and inure to the benefit of, the successors or assigns of the Parties hereto.

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

25 99. Invalidity of Any Provision. Before declaring any provision of this Settlement invalid,
26 the Court will first attempt to fully construe the provision as valid possible consistent with applicable
27 precedents to define all provisions of this Settlement valid and enforceable.

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1 100. Plaintiff's Waiver of Right to Be Excluded and Object. Plaintiffs agree to sign this
2 Agreement and are bound by the terms herein. For good and valuable consideration, Plaintiffs agree
3 they will not request to be excluded from or object to this Agreement. Any such Request for Exclusion
4 or Notice of Objection by Plaintiffs will be void and of no force or effect.

5 101. Non-Admission of Liability. This Agreement represents a compromise and settlement of
6 highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission
7 by Defendants that any of the allegations in the LWDA letter or the operative complaint have merit or
8 that Defendants have any liability for any claims asserted. Nothing in this Agreement should be intended
9 or construed as an admission by Plaintiffs that Defendants' defenses in this Action have merit. This
10 Agreement and the Parties' willingness to settle will have no bearing on, and will not be admissible in
11 connection with, any litigation (except for proceedings to enforce or effectuate this Agreement).

12 102. Captions. The captions and section numbers in this Agreement are inserted for the
13 reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the
14 provisions of this Agreement.

15 103. Waiver. No waiver of any condition or covenant contained in this Agreement or failure
16 to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a
17 further waiver by such party of the same or any other condition, covenant, right or remedy.

18 104. Meet and Confer Regarding Disputes. Should any dispute arise among the Parties or their
19 counsel regarding the implementation or interpretation of this Agreement, a representative of Class
20 Counsel and Defendants' Counsel shall meet and confer to resolve such disputes prior to submitting
21 such disputes to the Court.

22 105. Enforcement Actions. If one or more of the Parties institutes any legal action or other
23 proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare
24 rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover
25 from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness
26 fees incurred in connection with any enforcement actions. To the extent consistent with class action
27 procedure, this Settlement shall be enforceable by the Court pursuant to Code of Civil Procedure section
28 664.6 and Rule of Court 3.769(h). The disposition entered by the Court will not adjudicate the merits of

1 the Action or the liability of the Parties resulting from the allegations of the Action. Its sole purpose is
2 to adopt the terms of the Settlement and to retain jurisdiction over its enforcement. The Court shall fully
3 retain continuing jurisdiction over this Action and over all Parties and Class Members to enforce and
4 effectuate the terms and intent of this Agreement.

5 106. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
6 conditions of this Agreement. This Agreement will not be construed more strictly against one Party
7 merely by virtue of the fact that it may have been prepared by counsel for one of the Parties.

8 107. Representation By Counsel. The Parties acknowledge that they have been represented by
9 counsel throughout all negotiations that preceded the execution of this Agreement, and that this
10 Agreement has been executed with the consent and advice of counsel and reviewed in full. Plaintiffs
11 and Class Counsel warrant and represent that there are no liens on this Agreement.

12 108. All Terms Subject to Final Court Approval. All amounts and procedures described in this
13 Settlement Agreement herein will be subject to final Court approval.

14 109. Notices. All notices, demands or other communications given hereunder shall be in
15 writing and shall be deemed to have been duly given as of the third business day after mailing by United
16 States registered or certified mail, return receipt requested, addressed as follows:

17 Class Counsel:

18 Douglas Han
19 Shunt Tatavos-Garajeh
20 **JUSTICE LAW CORPORATION**
21 751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103

22 Defendants' Counsel:

23 Elizabeth B. Stallard
24 **BUCHALTER APC**
25 500 Capitol Mall, Suite 1900
26 Sacramento, California 95814
Telephone (916) 945-5231
Facsimile: (916) 930-0151

27 110. Cooperation and Execution of Necessary Documents. All Parties will cooperate in good
28 faith and execute all documents to the extent reasonably necessary to effectuate the terms of this
Settlement Agreement.

1 111. Integration Clause. This Settlement contains the entire agreement between the Parties
2 and all prior or contemporaneous agreements, understandings, representations, and statements, whether
3 oral or written and whether by a party or such party's legal counsel, are merged herein. No rights
4 hereunder may be waived except in writing.

5 112. Binding Agreement. The Parties warrant that they understand and have full authority to
6 enter into this Agreement. The Parties intend that this Agreement will be fully enforceable and binding
7 on all Parties. Finally, the Parties agree that this Agreement will be admissible and subject to disclosure
8 in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that
9 otherwise might apply under federal or state law.

10 113. Escalator Clause. At the time of mediation and settlement of this Action, the number of
11 Workweeks was estimated to be 20,672. If it is determined that the number of Workweeks during the
12 Class Period exceeds five percent (5%) or more of 20,672 Workweeks (*i.e.*, more than 21,705
13 Workweeks), then the Maximum Settlement Amount shall increase proportionally over the five percent
14 (5%) increase (*i.e.*, if the number of Workweeks increases by 7%, then the Maximum Settlement
15 Amount will increase by 2%).

16 IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Settlement
17 Agreement between the Parties as of the date(s) set forth below:
18
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28

Dallas Keller

Dated: _____

By: _____

Joel Rojas

Dated: 04/16/2025

By:  _____

Justice Law Corporation [Approving as to Form Only]

Dated: _____

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

Bobcat Central, Inc.

Dated: _____

By: _____

DNF, Inc.

Dated: _____

By: _____

Buchalter APC [Approving as to Form Only]

Dated: _____

By: _____
Elizabeth B. Stallard
Attorney for Defendants

Dallas Keller

Dated: 04/18/2025

By: *Dallas Keller*

Joel Rojas

Dated: _____

By: _____

Justice Law Corporation [Approving as to Form Only]

Dated: April 18, 2025

By: *D. Han*
Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Attorneys for Plaintiffs

Bobcat Central, Inc.

Dated: _____

By: _____

DNF, Inc.

Dated: _____

By: _____

Buchalter APC [Approving as to Form Only]

Dated: _____

By: _____
Elizabeth B. Stallard
Attorney for Defendants

Dallas Keller

Dated: _____

By: _____

Joel Rojas

Dated: _____

By: _____

Justice Law Corporation [Approving as to Form Only]

Dated: _____

By: _____

Douglas Han, Esq.
Shunt Tatavos-Gharajeh, Esq.
Attorneys for Plaintiffs

Bobcat Central, Inc.

Dated: 4/17/25

By: Nancy Franzia Nancy Franzia
CFO/sec

DNF, Inc.

Dated: 4/17/25

By: Nancy Franzia Nancy Franzia
CFO/sec

Buchalter APC [Approving as to Form Only]

Dated: 4/17/25

By: Elizabeth B. Stallard

Elizabeth B. Stallard
Attorney for Defendants

EXHIBIT A

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT

Keller v. Bobcat Central, Inc.

Superior Court of California, County of San Joaquin (Case No. STK-CV-UOE-2023-0001968)

(Complaint Filed February 28, 2023)

You are not being sued. This notice affects your rights. Please read it carefully

To: All current and former hourly-paid or non-exempt employees employed by Defendants Bobcat Central, Inc. and DNF, Inc. (“Defendants”) within the State of California at any time during the period from February 28, 2019, through January 30, 2025 (“Class,” “Class Members,” and “Class Period”).

You are receiving this Notice of Class Action Settlement because you have been identified as a person who worked or currently works as an hourly-paid or non-exempt employee of either Defendant within the State of California at any time during the Class Period.

On [REDACTED], the Honorable Blanca A. Banuelos of the Superior Court of California, County of San Joaquin, granted preliminary approval of this Class Action Settlement and ordered the litigants to notify all Class Members of the settlement. The Court has authorized this notice. You have received this notice because Defendants’ records indicate that you are a Class Member and are entitled to a payment from the settlement.

**YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT.
PLEASE READ THIS NOTICE AS IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.**

The amount of your estimated payment is listed on the enclosed Claim Form.

To participate in the settlement and to receive your payment, you must mail or fax a Claim Form to the Claims Administrator no later than [REDACTED]. If you fail to postmark or fax a Claim Form by this time, you will not receive a payment from the settlement, but you will be bound by its terms. The Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement will be held on [REDACTED] at [REDACTED] in Department 10B of the Superior Court of California, County of San Joaquin, located at 180 East Weber Avenue, 2nd Floor, Stockton, California 95202. You are not required to attend the Final Approval Hearing, but you are welcome to do so.

Summary of the Litigation

On February 28, 2023, Plaintiff Dallas Keller (“Plaintiff Keller”) filed a wage-and-hour class action lawsuit in the Superior Court of California, County of San Joaquin (Case No. STK-CV-UOE-2023-0001968), alleging violations of: (1) Labor Code sections 510 and 1198 (unpaid overtime); (2) Labor Code sections 226.7 and 512(a) (unpaid meal period premiums); (3) Labor Code section 226.7 (unpaid rest period premiums); (4) Labor Code sections 1194 and 1197 (unpaid minimum wages); (5) Labor Code sections 201 and 202 (final wages not timely paid); (6) Labor Code section 226(a) (non-compliant wage statements); (7) Labor Code sections 2800 and 2802 (unreimbursed business expenses); and (8) Business & Professions Code section 17200.

On September 18, 2023, Plaintiff Joel Rojas (“Plaintiff Rojas”) provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the Labor Code he contends were violated and the theories supporting his contentions.

On January 31, 2024, Plaintiff Keller filed a First Amended Complaint that added Plaintiff Rojas as a named plaintiff and added a cause of action for violation of Labor code 2698 (Private Attorneys General Act of 2004 (“PAGA”)).

After engaging in discovery, investigations, and negotiations, on October 30, 2024 the Parties remotely attended mediation with the mediator Brandon McKelvey, resulting in the Parties reaching a tentative settlement.

Counsel for Plaintiffs and the attorneys appointed by the Court to represent the Class, Justice Law Corporation (“Class Counsel”), have investigated and researched the facts and circumstances underlying the issues raised in the case and the applicable law. While Class Counsel believe that the claims alleged in this lawsuit have merit, Class Counsel also recognize that the risks and expenses of continued litigation justify settlement. Based on the foregoing, Class Counsel believe that the proposed settlement is fair, adequate, reasonable, and in the best interests of the Class Members.

Defendants deny the factual and legal allegations made by both Plaintiff Keller and Plaintiff Rojas and believe that their claims have no merit. However, Defendants recognize that the risks and expenses of continued litigation justify settlement. By agreeing to settle, Defendants are not admitting liability on any of the factual allegations or claims in the case or that the case can or should proceed as a class action. Both sides agree that the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendants do not admit any violations or concede the merits of any claims.

Summary of Settlement Terms

Plaintiffs and Defendants have agreed to settle the underlying class and PAGA claims in exchange for the Maximum Settlement Amount of up to \$810,000. This amount is inclusive of:

- 1) Attorneys’ fees of up to \$283,500 (35% of the Maximum Settlement Amount) and attorneys’ costs of up to \$25,000 to Class Counsel;
- 2) Class Representative Enhancement Payments of up to \$10,000 to each Plaintiff (totaling \$20,000);
- 3) Claims Administration Costs of up to \$15,000;
- 4) PAGA Payment (civil penalties) of \$50,000, seventy-five percent (75%) of which (\$37,500) will be paid to the LWDA and twenty-five percent (25%) of which (\$12,500) will be distributed to PAGA Aggrieved Employees (as defined below); and
- 5) Individual Settlement Payments to all Class Members who submit timely and valid Claim Forms for participation in the Class Action Settlement (“Claimants”).

Calculation of Individual Settlement Payments

The Net Settlement Amount is the portion of the Maximum Settlement Amount remaining after the deduction of the approved Attorneys’ Fees and Costs, Class Representative Enhancement Payments, Claims Administration Costs, and PAGA Payment. The Claims Administrator will make settlement payments to each Claimant from the Net Settlement Amount. The amount of settlement payment each Class Member receives will be based on the number of Workweeks each Class Member worked during the Class Period.

The Claims Administrator will calculate the total number of Workweeks worked by each individual Class Member (“Individual Workweeks”) to determine the total number of Workweeks worked by all Class Members (“Class Workweeks”) during the Class Period. To determine each Class Member’s estimated Individual Settlement Payment, the Claims Administrator will use the following formula: $\text{estimated Individual Settlement Payment} = (\text{Net Settlement Amount} \div \text{Class Workweeks}) \times \text{Individual Workweeks}$ for each individual Class Member.

If the total Individual Settlement Payments to the Claimants would equal less than fifty percent (50%) of the Net Settlement Amount, the Claims Administrator will proportionately increase the Individual Settlement Payment for each Claimant to ensure that total Individual Settlement Payments equal fifty percent (50%) of the Net Settlement Amount.

The Claims Administrator will issue IRS Forms W-2 and 1099 to Claimants and will be responsible for forwarding all payroll taxes and penalties to the appropriate government authorities. Claimants should consult their tax advisors concerning the tax consequences of the payments they receive. All Individual Settlement Payments will be allocated as follows: (1) twenty percent (20%) as wages; and (2) eighty percent (80%) as interest and penalties.

PAGA Aggrieved Employees and PAGA Payment

You are considered a “PAGA Aggrieved Employee” who is eligible to share the PAGA Payment under the settlement if you are a current or former hourly-paid or non-exempt employee of Defendants within the State of California at any time during period from September 18, 2022, through January 30, 2025 (“PAGA Aggrieved Employees” and “PAGA Period”).

Under the terms of the Settlement, \$50,000 has been set aside as a PAGA Payment. This portion is the total amount of civil penalties collected on behalf of the State of California. Seventy-five percent (75%) of the PAGA Payment (\$37,500) will be paid to the LWDA, and twenty-five percent (25%) of the PAGA Payment (\$12,500) will be distributed, pro rata, to the PAGA Aggrieved Employees based on the number of pay periods they worked during the PAGA Period.

The Claims Administrator will calculate the total number of pay periods worked by each individual PAGA Aggrieved Employee (“Individual Pay Periods”) to determine the total number of pay periods worked by all PAGA Aggrieved Employees (“Total PAGA Pay Periods”) during the PAGA Period. To determine each PAGA Aggrieved Employee’s estimated portion of the PAGA Payment, the Claims Administrator will use the following formula: estimated individual PAGA Payment = $(\$12,500 \div \text{Total PAGA Pay Periods}) \times \text{Individual Pay Periods}$ for each individual PAGA Aggrieved Employee.

The portion of the PAGA Payment paid to PAGA Aggrieved Employees shall be designated as one hundred percent (100%) penalties, for which an IRS Form 1099 will be issued.

Based on your total number of pay periods within the PAGA Period, your portion of the PAGA Payment is \$[REDACTED]. You are responsible for paying any federal, state, or local taxes owed because of this PAGA Payment.

Because these penalties can only be sought by the State of California, you cannot exclude yourself from the PAGA portion of the settlement if the Court grants final approval. Even if you exclude yourself from the class action portion of the settlement, you will still be paid your portion of the civil penalties described above.

If you were not a current or former hourly-paid or non-exempt employee of Defendants within the State of California at any time during the PAGA Period, you are not a PAGA Aggrieved Employee, and this Section does not apply to you.

Your Options Under the Settlement

Option 1 – Submit a Claim Form to Be Eligible for Payment

If you want to receive money from the settlement, you **must** complete and sign the enclosed Claim Form (see prepaid return envelope). You need to complete the Claim Form and promptly mail or fax it to the Claims Administrator postmarked or faxed no later than [REDACTED].

Any checks issued by the Claims Administrator to Claimants will be negotiable for at least one hundred eighty (180) calendar days. Those funds represented by settlement checks returned as undeliverable and those settlement checks remaining uncashed for more than one hundred eighty (180) calendar days after their issuance will be transmitted to California Controller's Unclaimed Property Fund in the name of the Claimant.

Option 2 – Opt Out of the Settlement

If you do not wish to participate in the settlement, you may exclude yourself from participating by submitting a written request to the Claims Administrator expressly and clearly indicating that you have received this Notice of Class Action Settlement, decided not to participate in the settlement, and desire to be excluded from the settlement. The written Request for Exclusion must: (1) be signed by you; (2) set forth your name, address, telephone number, and last four digits of your Social Security number; (3) clearly state the name of this case, the case number, and that you do not wish to be included in the Settlement; (4) be returned by mail or fax to the Claims Administrator at the specified address and/or facsimile number; and (5) be postmarked on or before the Response Deadline. Sign, date, and mail the Request for Exclusion by First Class U.S. Mail, or equivalent, to the address below.

[CONTACT INFORMATION]

The written request to be excluded must be postmarked or faxed no later than [REDACTED]. If you submit a Request for Exclusion that is not postmarked or faxed by this date, your Request for Exclusion will be rejected, and you will remain a member of the Class.

Option 3 – File an Objection with the Court

If you wish to object to the settlement, you may file with the Court an objection stating why you object to the settlement and serve copies to the Parties. For the Notice of Objection to be valid, it must include: (1) your full name, signature, address, and telephone number; (2) written statement of all grounds for the objection accompanied by any legal support for such objection; (3) clear reference to the title of this case and case number; and (4) copies of any papers, briefs, or other documents upon which the objection is based. If you intend to appear at the Final Approval Hearing, either in person or through counsel, you must include notice of that fact and state the purpose for your appearance in your objection. The objection must be filed with the Court and served on the attorneys listed below:

Douglas Han
Shunt Tatavos-Gharajeh
JUSTICE LAW CORPORATION
751 North Fair Oaks Avenue, Suite 101
Pasadena, California 91103
Telephone: (818) 230-7502
Class Counsel

Elizabeth B. Stallard
BUCHALTER APC
500 Capitol Mall, Suite 1900
Sacramento, California 95814
Telephone (916) 945-5231
Facsimile: (916) 930-0151
Defendants' Counsel

All objections must be filed with the Court no later than [REDACTED]. Late objections will not be considered. By filing an objection, you are not excluding yourself from the settlement. To exclude yourself from the settlement, you must follow the directions described in **Option 2** above. Please note that you cannot both object to the settlement and exclude yourself. If you wish, you may also appear at the Final Approval Hearing and discuss your objection with the Court and Parties at your own expense. You may also retain an attorney to represent you at the Final Approval Hearing.

Option 4 – Do Nothing

You may also do nothing in response to this notice. If you choose to do nothing and if the Court grants final approval of the settlement, you will be deemed to have released the Released Claims (defined in the accompanying Claim Form) even though you will not receive money from the settlement. If you do not want to be deemed to have released the Released Claims, you must exclude yourself from the settlement by following **Option 2**.

If you choose **Option 1**, and if the Court grants final approval of the settlement, you will be mailed a check for your share of the settlement funds. If you choose **Option 4**, you will receive nothing. In addition, under both **Options 1 and 4** (or **3** if the Court approves the Settlement), you will be deemed to have released the Released Claims.

If you choose **Option 2**, you will no longer be a Class Member and will: (1) be barred from participating in the settlement, but you will not be deemed to have released the Released Claims; (2) be barred from filing an objection to the settlement; and (3) not receive a payment from the settlement.

If you choose **Option 3**, you will still be entitled to your share of the settlement funds but only if you complete your Claim Form and postmark or fax it by [REDACTED]. Otherwise, if the Court overrules your objection, you will be deemed to have released the Released Claims.

Additional Information

If you need more information or have any questions, you may contact Class Counsel listed above or the Claims Administrator at the toll-free telephone number listed below.

This Notice of Class Action Settlement is only a summary of the case and the settlement. For a more detailed statement of the matters involved in the case and the settlement, you may refer to the pleadings, Settlement Agreement, and other papers filed in the case by visiting the Court's website on <https://www.sjcourts.org/case-management-search/>. Copies of these documents may also be obtained at the Superior Court of California, County of San Joaquin, located at 180 East Weber Avenue, 2nd Floor, Stockton, California 95202.

DO NOT CONTACT THE CLERK OF THE COURT, JUDGE, DEFENDANTS, OR DEFENDANTS' COUNSEL WITH INQUIRIES.

EXHIBIT B

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

<i>Keller v. Bobcat Central, Inc.</i> San Joaquin County Superior Court (Case Number STK-CV-UOE-2023-0001968) MAIL OR FAX TO: Claims Administrator [CONTACT INFORMATION]
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Your Claim Form must be completed and received by fax or postmarked on or before [REDACTED], or it will be rejected.

You are responsible for maintaining a copy of the fully completed Claim Form and proof of fax or mailing. If you move, please inform the Claims Administrator of your new address. It is your responsibility to keep a current address on file with the Claims Administrator.

||||| Claim #

First Name, Last Name

c/o

Address1 Address2

City, State, Zip, Country

Name/Address Changes (if any):

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Area Code

Home Telephone Number

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Area Code

Alternate Telephone Number

Calculation of Individual Settlement Payments: Each Claimant's share of the settlement is based on the number of Workweeks he or she worked for Defendants Bobcat Central, Inc. or DNF, Inc. ("Defendants") at any time during the period from February 28, 2019, through January 30, 2025 ("Class," "Class Members," and "Class Period").

According to Defendants' records, you worked as an hourly-paid or non-exempt employee of one or more of the Defendants within the State of California at any time during the Class Period. The available records indicate that you worked for a total of [REDACTED] Workweeks during the Class Period. "Workweeks" means the number of weeks of employment that a Class Member worked for either Defendant as an hourly-paid or non-exempt employee in the State of California at any time during the Class Period.

Based on the preceding information, your estimated Individual Settlement Payment is \$[REDACTED]. Your final actual share may vary depending on the number of Workweeks represented by the Claimants who are participating in this settlement.

If you disagree with the numbers stated above, please explain why you believe the records described above are mistaken and attach all supporting documentation:

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

If you dispute the numbers stated above, the records described above will control unless you are able to provide documentation with this Claim Form that establishes otherwise. If there is a dispute about whether Defendants' information or yours is accurate and the dispute cannot be resolved informally, the dispute will be resolved by the Parties with the aid of the Claims Administrator. Such a determination by the Parties will be final and binding with no opportunity for further appeal.

Your signature below constitutes a full release, waiver, and discharge of the following claims:

The claims released by the Class Members include, but are not limited to, all claims and causes of action that were alleged, or could have been alleged, in the operative complaint or in Plaintiff Rojas' written notice to the California Labor and Workforce Development Agency and occurred during the Class Period. These include, but are not limited to: (1) all claims for failure to pay overtime wages; (2) all claims for failure to pay earned incentive pay; (3) all claims for failure to pay sick leave pay; (4) all claims for failure to pay minimum wages; (5) all claims for the failure to provide meal and/or rest periods in accordance with applicable law and failure to pay applicable premium wages; (6) all claims for failure to reimburse business expenses; and (7) any and all claims for recordkeeping or pay stub violations, waiting time penalties, and all other statutory penalties, including those recoverable under the Business & Professions Code section 17200 and any other provision of the Labor Code, including, but not limited to, Labor Code section 2698 (Private Attorneys General Act of 2004) or any applicable Industrial Welfare Commission Wage Orders, in all their iterations.

By signing on to the next page, you acknowledge that if you submit erroneous information in connection with this claim, your claim may be denied in whole or in part.

CLAIM FORM
Return This Form To Receive Your Individual Settlement Payment

I declare that under penalty of perjury under the laws of the State of California that the information supplied herein by the undersigned is true and correct and that this Claim Form was executed on:

_____ in _____, _____
Date City State

Sign your name here

Print your name here

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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 manderson@justicelawcorp.com.

On April 28, 2025, I served the foregoing document described as

JOINT STIPULATION AND SETTLEMENT AGREEMENT

for the following case: **Keller, et al. v. Bobcat Central Inc.**
LWDA/Court Case No.: **LWDA Case No.: CM-982220-23**
Court Case No.: STK-CV-UOE-2023-0001968
San Joaquin 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 April 28, 2025, at Pasadena, California.



Mariah Anderson