KINGSLEY SZAMET
EMPLOYMENT LAWYERS
ERIC B. KINGSLEY, Esq. (SBN 185123)
eric@kingsleylawyers.com
KELSEY M. SZAMET, Esq. (SBN 260264)
kelsey@kingsleylawyers.com
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Tel: (818) 990-8300, Fax (818) 990-2903

HAINES LAW GROUP, APC
Paul K. Haines, Esq. (SBN 248226)
Sean M. Blakely, Esq. (SBN 264384)
2155 Campus Drive, Suite 180
El Segundo, CA 90245
Tel: (424) 292-2350, Fax: (424) 292-2355
Attorneys for Plaintiff JACKIE SAUCEDO as successor-in-interest to SERGIO SAUCEDO, the Proposed Class, and the aggrieved employees

(Additional Attorneys Listed on the Following Page)

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

TIMOTHY WILLIAMS; JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO; as individuals, on behalf of themselves and others similarly situated,

PLAINTIFFS,

v.

MERCURY AIR CARGO, LLC; and DOES 1 thru 50, inclusive,

DEFENDANTS.

CASE NO. 23STCV21753
(Consolidated with Case No. 23STCV31703)
[Case Assigned for All Purposes to Hon. William F. Highberger in Dept. 10]

DECLARATION OF KELSEY M. SZAMET IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

[Filed concurrently with Motion for Preliminary Approval of Settlement and [Proposed] Order Thereon]

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ABRAMSON LABOR GROUP
WILLIAM ZEV ABRAMSON, Esq. (SBN 289387)
wza@abramsonlabor.com
11846 Ventura Blvd., Suite 100
Studio City, CA 91604
Tel: (213) 493-6300, Fax (213) 382-4083

Attorneys for Plaintiff TIMOTHY WILLIAMS, the Proposed Class, and the aggrieved employees

DECLARATION OF KELSEY M. SZAMET

I, Kelsey M. Szamet, state and declare as follows:

1. I am an attorney admitted before all courts of the State of California and a partner in the law firm of Kingsley Szamet Employment Lawyers, counsel of record for Plaintiffs in this action. I am completely familiar with the present litigation, including the pleadings, discovery, and filings submitted in this matter. I make this Declaration from my own personal knowledge, and, if called upon, I could and would competently testify to the following.

2. I graduated cum laude from the University of California, San Diego in 2004 with a degree in Human Development. I graduated from the University of California, Los Angeles School of Law in 2008. I am admitted to practice before the following Courts: United States Supreme Court; United States District Court, Northern, Eastern, Southern and Central of California; all California State Courts.

3. I make this Declaration in support of Plaintiffs' Motion for Preliminary Approval of the Class Action Settlement in the above-captioned case.

FACTUAL BACKGROUND

a) The Parties and the Allegations

4. Mercury Air Cargo, LLC provides cargo services at airports. Plaintiffs are former Mercury non-exempt employees who allege that, throughout their employment, they were generally scheduled to work 6:00 a.m. to 1:30 p.m. on Mondays, Thursdays, and Fridays and 7:00 a.m. to 2:30 p.m. on Tuesdays and Wednesdays, but often worked more than eight hours in a day or forty hours in a week.

5. Plaintiff Williams worked for Mercury as a customer service representative at its facility at 6040 Avion Drive, Los Angeles, from approximately January 3, 2022 to August 2022, earning $25.00 per hour. Sergio Saucedo worked for Mercury from approximately March 1996 to September 2023, most recently as a quality assurance and/or customer service representative at Los Angeles International Airport, and passed away on August 3, 2024. Jackie Saucedo prosecutes this action as his successor in interest.

6. The TAC pleads seven causes of action: (1) failure to pay wages and overtime (Lab.

Code, §§ 510, 1194, 1199); (2) failure to provide meal periods (Lab. Code, §§ 226.7, 512); (3) failure to provide rest periods (Lab. Code, § 226.7); (4) failure to reimburse business expenses (Lab. Code, § 2802); (5) inaccurate wage statements (Lab. Code, § 226, subd. (a)); (6) waiting time penalties (Lab. Code, § 203); and (7) civil penalties under PAGA (Lab. Code, § 2699 *et seq.*) for violations of Labor Code sections 201, 202, 203, 226(a), 226.7, 510, 512, 1194, 1194.2, 1199, and 2802.

7. In substance, Plaintiffs allege that: (a) because of the distance between Mercury's breakrooms and employees' workstations, and because supervisors checked that employees were back at their stations at the exact end of the 30-minute meal period, employees had to shorten their meal periods by several minutes and therefore did not receive a full thirty minutes of uninterrupted "net rest" away from the workstation; (b) employees did not receive a second meal period on shifts over ten hours and, when meal periods were missed, were required to sign a post-hoc meal period waiver the following day, so that missed meal periods were not validly waived and premium pay was owed; (c) employees likewise could not leave their workstations until the exact start of, and had to return at the exact end of, their ten-minute rest periods, and so never received ten minutes of net rest ; (d) employees were required to use their personal cellular phones to communicate with coworkers, supervisors, and customers without reimbursement; (e) because employees were paid on a piece-rate or commission basis, Mercury failed to calculate the regular rate correctly for purposes of overtime; and (f) those violations rendered wage statements inaccurate and left wages unpaid at separation. Plaintiff Williams also alleges, on his own behalf only, that Mercury failed to produce his personnel and payroll records upon written request, in violation of Labor Code sections 226 and 1198.5. Plaintiffs further contend that Mr. Saucedo's workstation and the time clocks were on the first floor, an eight-to-ten-minute walk from the second-floor break areas, so that he could not obtain a full 30 minutes of rest within the time allowed. Mercury denies each of these allegations.

b) Procedural History

8. On September 11, 2023, Plaintiff Williams filed a class action complaint alleging failure to reimburse business expenses under Labor Code section 2802 and a violation of Business

and Professions Code section 17200, and sent written notice of the same violations (and of alleged violations of Labor Code sections 226 and 1198.5) to the LWDA and Mercury pursuant to Labor Code section 2699.3. The LWDA assigned the notice Case No. LWDA-CM-980768-23.

9. On November 16, 2023, Williams filed a First Amended Complaint adding a PAGA cause of action. On December 27, 2023, Sergio Saucedo filed a separate representative action against Mercury seeking PAGA penalties, Case No. 23STCV31703, which is consolidated with this Action.

10. On April 12, 2024, Williams filed a Second Amended Complaint that removed the class allegations and pleaded a single PAGA cause of action. (Ex. 1, ¶ 2.1.) That amendment followed a March 28, 2024 stipulation, entered after Mercury produced an arbitration agreement signed by Williams, to arbitrate his individual PAGA claim, stay his non-individual PAGA claim, and dismiss his class claims without prejudice. On July 25, 2024, Mr. Saucedo filed a JAMS demand on his individual claims, and he passed away on August 3, 2024.

11. The Parties mediated before Russ J. Wunderli on July 11, 2025. (Ex. 1, ¶ 2.3.) The Parties thereafter executed a Memorandum of Understanding on or about September 12, 2025. The Parties then participated in a full-day mediation with Russ J. Wunderli, an experienced mediator, which led to the Agreement. (Ex. 1, ¶ 2.3.)

12. On July 17, 2025, Plaintiffs submitted an amended PAGA notice to the LWDA and Mercury adding Sergio Saucedo and additional alleged violations of Labor Code sections 201, 202, 203, 226(a), 226.7, 510, 512, 1194, 1194.2, and 1199. No LWDA letter of intent to investigate was received within sixty-five days.

13. As part of the settlement, the Parties stipulated to the filing of the operative TAC, filed January 6, 2026, which restored the class allegations, incorporated the claims and facts alleged in the Saucedo action, and added Jackie Saucedo, as successor-in-interest to Sergio Saucedo, as a plaintiff. The Parties executed the long-form Agreement in September 2026. The Court has not certified a class, and the Action has been stayed except as necessary to effectuate the settlement.

c) Investigation, Discovery, and Mediation

14. Before mediation, Plaintiffs obtained through informal discovery time and pay records for the putative class members. (Ex. 1, ¶ 2.4.) Mercury produced time and payroll data for approximately 1,013 employees for July 2022 through July 2024, including time records for 31,585 shifts (a sample of approximately 8.8% of the Class's shifts), sample time records for Mr. Saucedo, and its meal period waiver forms. Plaintiffs retained Berger Consulting Group, which analyzed rounding, overtime, regular-rate, meal period, rest period, sick pay, and expense reimbursement issues and extrapolated the sample to the Class and to the period September 11, 2019 through July 11, 2025.

15. The settlement was reached through arm's-length, adversarial negotiations. Mercury denies liability, disputes the damages and penalties Plaintiffs claim, and contends that none of Plaintiffs' claims is appropriate for class or representative treatment other than for settlement purposes. (Ex. 1, ¶¶ 2.1, 12.1.)

16. Class Counsel, who have substantial experience prosecuting wage-and-hour class actions, believe the settlement is fair, reasonable, and adequate in light of the risks of continued litigation.

CERTIFICATION FOR SETTLEMENT PURPOSES

17. The Class is defined by objective criteria, non-exempt employment with Mercury in California during a defined period, and Mercury's payroll and timekeeping records have already identified an estimated 2,123 Class Members and their workweeks. (Ex. 1, ¶¶ 1.5, 4.1.) Mercury will provide each Class Member's name, last-known address, Social Security number, and Workweeks to the Administrator. (Ex. 1, ¶¶ 1.8, 4.2.) A class of approximately 2,123 employees is far too numerous for joinder.

18. Here, Plaintiffs' theories turn on Mercury's alleged uniform practices, including: whether the layout of Mercury's facilities and its practice of checking that employees were back at their workstations at the exact end of meal and rest periods deprived employees of full, duty-free meal and rest periods; whether Mercury maintained a practice of requiring post-hoc meal period waivers; whether Mercury required employees to use personal cellular phones without

reimbursement; whether Mercury's pay plans were calculated correctly for purposes of the regular rate; and whether the resulting wage statements and final pay were accurate.

19. Plaintiffs allege that they worked for Mercury as non-exempt employees, were subject to the same meal and rest period practices, cellular-phone expectations, and pay practices as the Class, and suffered the same alleged violations. Neither Plaintiff has any conflict with the Class, and both have retained counsel experienced in wage-and-hour class actions.

20. Here, the average Class Member's estimated recovery is a few hundred dollars—far too small to justify individual suits—while the claims rest on common practices that can be resolved in a single proceeding.

THE PROPOSED SETTLEMENT

21. The Settlement Class ("Class") consists of "[a]ll current and former non-exempt employees who worked for MERCURY AIR CARGO, LLC, in the State of California between September 11, 2019 to September 9, 2025" (the "Class Period"). (Ex. 1, ¶¶ 1.5, 1.12.) Mercury's records reflect an estimated 2,123 Class Members who worked an aggregate of 198,727 workweeks. (Ex. 1, ¶¶ 4.1, 8.) "Aggrieved Employees" are all non-exempt employees who are employed or have been employed by Mercury in the State of California who worked one or more pay periods from September 11, 2022 to September 9, 2025 (the "PAGA Period"). (Ex. 1, ¶¶ 1.4, 1.31.) Mercury estimates there are 1,350 Aggrieved Employees who worked a total of 54,418 PAGA pay periods. (Ex. 1, ¶ 4.1.) The PAGA Period begins one year before the date of Plaintiff Williams's initial PAGA notice. (Ex. 1, ¶¶ 1.31, 1.33.) The Class Period and PAGA Period end on September 9, 2025 approximately 2 months after the mediation.

22. Mercury will pay a Gross Settlement Amount of $1,990,000.00 (the "GSA"), plus the employer's share of payroll taxes on the wage portion of the Individual Class Payments, which it will pay separately. (Ex. 1, ¶¶ 1.22, 3.1.) No portion of the GSA will revert to Mercury, and no Class Member must submit a claim in order to be paid. (Ex. 1, ¶ 3.1.) Based on the requested maximum deductions, the estimated Net Settlement Amount is as follows:

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Item	Amount
Gross Settlement Amount	$1,990,000.00
Less: Class Counsel Fees Payment (up to 33.33%)	($663,333.33)
Less: Class Counsel Litigation Expenses Payment (up to)	($50,000.00)
Less: Class Representative Service Payments (up to $10,000 each × 2)	($20,000.00)
Less: Administration Expenses Payment (up to)	($15,000.00)
Less: PAGA Penalties ($37,500.00 to LWDA; $12,500.00 to Aggrieved Employees)	($50,000.00)
Estimated Net Settlement Amount (maximum deductions)	**$1,191,666.67**

(Ex. 1, ¶¶ 1.28, 3.2.) The amounts for attorney's fees, costs, service payments, and administration are maximums that remain subject to Court approval; any amount the Court declines to award remains in the Net Settlement Amount for distribution to Participating Class Members. (Ex. 1, ¶¶ 3.2.1–3.2.3.) The GSA represents approximately $10.01 per Class Workweek, and the estimated Net Settlement Amount represents approximately $6.00 per Class Workweek.

23. Each Participating Class Member's Individual Class Payment equals the Net Settlement Amount divided by the total Workweeks of all Participating Class Members, multiplied by that Class Member's own Workweeks. (Ex. 1, ¶ 3.2.4.) A "Workweek" is any week in which the Class Member worked at least one day for Mercury during the Class Period. (Ex. 1, ¶ 1.45.) Amounts attributable to Class Members who validly opt out remain in the Net Settlement Amount and are redistributed pro rata to Participating Class Members. (Ex. 1, ¶ 3.2.4.2.) Twenty percent of each Individual Class Payment is allocated to wages (reported on IRS Form W-2, subject to withholding), and eighty percent to interest and penalties (reported on IRS Form 1099). (Ex. 1, ¶ 3.2.4.1.) Each Aggrieved Employee, whether or not he or she opts out of the class settlement, will receive an Individual PAGA Payment equal to a pro rata share of the $12,500.00 Aggrieved Employee allocation based on PAGA pay periods worked. (Ex. 1, ¶¶ 3.2.5, 3.2.5.1, 7.5.4.) The Class Notice will state each Class Member's estimated payment and the Workweeks and PAGA pay periods used to calculate it, and Class Members may dispute those figures. (Ex. 1, ¶¶ 7.4.2, 7.6.) Funds represented by checks that remain uncashed after the void date will be transmitted to the California Controller's Unclaimed Property Fund in the name of the Class Member, leaving no unpaid residue within the meaning of Code of Civil Procedure section 384. (Ex. 1, ¶ 4.4.3.)

24. The Parties selected Xpand Legal Consulting LLC as Administrator, subject to a "not to exceed" fee of $15,000.00 absent a showing of good cause. (Ex. 1, ¶¶ 1.2, 3.2.3, 7.1.) The Parties obtained competing bids, and Xpand Legal Consulting LLC was selected as their bid was the lowest and they have years of administration experience, data security, insurance, and the absence of conflicts.

25. The Agreement provides that Class Counsel may apply for attorney's fees of up to 33.33% of the GSA (estimated at $663,333.33) and litigation costs of up to $50,000. (Ex. 1, ¶ 3.2.2.) Class Counsel will file their fee and cost motion before the final approval hearing, with the lodestar, hourly rates, and cost documentation the Court requires, and will disclose any fee-sharing arrangement among Class Counsel. (Ex. 1, ¶¶ 3.2.2, 10.) If the Court awards less than the amounts requested, the difference remains in the Net Settlement Amount. (Ex. 1, ¶ 3.2.2.)

26. The Parties have made no other agreement in connection with the proposed settlement. (Cal. Rules of Court, rule 3.769(b).)

***KULLAR* ANALYSIS**

27. The proposed Settlement satisfies each of these factors. Class Counsel conducted an investigation of Mercury's time and pay records and policies before entering into settlement negotiations, which allowed them to evaluate the strength of the case and the risks of continued litigation.

28. Although Plaintiffs believe the claims are meritorious, continued litigation would present substantial risks at every stage. Plaintiffs' counsel evaluated Mercury's potential exposure using the time, payroll, and policy data produced for mediation, and a damages model prepared by their retained expert.

a) Threshold Risks That Affect Every Claim

29. Several threshold issues bear on every class claim. First, Mercury produced an arbitration agreement signed by Plaintiff Williams, and the Parties stipulated in March 2024 to arbitrate his individual PAGA claim and dismiss his class claims without prejudice; Mr. Saucedo likewise initiated a JAMS arbitration of his individual claims before he passed away. If other Class Members signed arbitration agreements with class waivers, Mercury would move to compel

individual arbitration as to them, which would remove those employees from any certified class.

b) The Risks Associated with the Wages and Overtime Claim

30. The TAC alleges that employees were paid on a piece-rate or commission basis and that Mercury failed to include that pay in the regular rate. Mercury's payroll data show instead that the Class was paid hourly (a weighted average base rate of about $21.04 and a reported regular rate of about $23.85), with additional compensation paid in nine bonus and premium codes (including benefits premiums, lead premiums, dangerous goods pay, and shift premiums), and that Mercury included those payments in the regular rate when calculating overtime. Only sick pay was paid at the base rate rather than the regular rate.

31. After offsetting overtime already paid on those items, the data show no net regular-rate overtime underpayment, so this theory of liability adds little or no value. The rounding claim is likewise weak: expert analysis revealed that employees were, on net, overpaid by rounding, and Mercury would argue that its rounding practice was neutral and lawful. The remaining daily-overtime claim is small because employees were scheduled for seven working hours per day and the data show that unpaid overtime occurred in only about 3.6% of the pay periods analyzed. Mercury would also argue that discretionary payments are properly excluded from the regular rate (see *Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542; *Ferra v. Loews Hollywood Hotel, LLC* (2021) 11 Cal.5th 858 [regular rate includes non-discretionary payments]). Plaintiffs therefore contend that it is appropriate to discount this claim substantially.

c) The Risks Associated with the Meal Period Claim

32. Where time records show non-compliant meal periods, a rebuttable presumption of a violation arises (*Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 74–77), and the records here show that 98.2% of the sampled shifts of 10 to 12 hours lacked a recorded second meal period. But Mercury produced meal period waiver forms for shifts of six hours or less and for second meal periods on shifts of up to twelve hours, and the expert estimated that giving effect to those waivers would reduce the number of unique violations from approximately 114,056 to approximately 52,524 and would reduce the violation rate net of the premiums Mercury already paid to zero (the model shows a negative net rate of approximately 1.8%). If the waivers are valid, therefore, the

second meal period claim has no net value. Plaintiffs contend that Mercury required employees to sign waivers after the fact and therefore that those waivers are not valid, but that contention depends on the forms and on testimony that may vary by supervisor and period, thereby potentially precluding class certification of this claim.

33. Mercury also paid meal premiums throughout the period (approximately 69,834 payments when extrapolated to the Class), which supports a good-faith defense to derivative penalties. Plaintiffs' alleged "net rest" theory that employees could not clock out until the scheduled start of the meal period and had to return to their workstations on the first floor exactly 30 minutes later, although the break areas were a walk of eight to ten minutes away on the second floor, is supported by the records, which show that first meal periods were recorded at exactly 30 minutes in about 46% of cases, but the distance and layout facts would need to be established through declaration or testimony and Defendant would argue this is a necessarily individualized inquiry. Plaintiffs therefore substantially discounted the meal period claim, and the Parties' settlement fairly values the meal period claim in light of the recorded-violation figures.

d) The Risks Associated with the Rest Period Claim

34. Plaintiffs allege that supervisors required employees to be back at their stations at the exact end of the ten-minute rest period and could not leave until the exact start, and that Mr. Saucedo's first-floor workstation was an eight-to-ten-minute walk from the second-floor break areas. Because there are no rest period records, the violation rate would rest on witness testimony from a sample of employees, and Mercury would presumably present testimony that employees took rest periods in other areas, or in the manner its policies permit. The record that unique meal violations occurred on only about 11.5% of shifts is the kind of data a fact-finder could use to infer a violation rate far below 100%. If the rest violation rate matched the 11.5% unique meal violation rate, the rest premium exposure would fall from $24,401,394 to approximately $2,806,160. Plaintiffs therefore substantially discounted this claim.

e) The Risks Associated with the Business Reimbursement Claim

35. Liability requires proof that employees were required to use their personal phones for work (or that Mercury knew or should have known they did so) and that they incurred a cost.

Mercury would argue that it provided company equipment as a means of communication, that any personal phone use was voluntary, and that any cost was de minimis or non-existent for employees on unlimited plans. (See *Cochran*, *supra*, 228 Cal.App.4th at p. 1144.) Variation in phone use by job, shift, and supervisor would also weigh against certification, and the $20 monthly figure is an estimate that Mercury would contest. Mercury's pay data also show that it paid small reimbursements for safety equipment and safety shoes. Plaintiffs therefore discounted this claim.

f) The Risks Associated with the Wage Statement Claim

36. The claim is derivative of the meal, rest, overtime, and reimbursement claims and rises or falls with them. In addition, penalties require a "knowing and intentional" failure and an injury. (Lab. Code, § 226, subd. (e)(1), (2).) An employer's objectively reasonable, good-faith belief that its wage statements were compliant defeats penalties. (*Naranjo v. Spectrum Security Services, Inc.* (2024) 15 Cal.5th 1056.) Because the claims on which the wage statement claim depends including the "net rest" theory of meal and rest period violations are novel and contested, and because Mercury paid meal premiums, Plaintiffs believed that Mercury would have a substantial good-faith defense. (See *Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal.5th 93 [premium pay is wages and must be reported].) Plaintiffs therefore contend that it was appropriate to substantially discount this claim for the purposes of resolution.

g) The Risks Associated with the Waiting Time Penalty Claim

37. Waiting time penalties require willfulness, and a good-faith dispute that wages are due defeats willfulness. (Cal. Code Regs., tit. 8, § 13520; *Naranjo* (2024), *supra*, 15 Cal.5th 1056.) The claim is entirely derivative of the unpaid-wage, overtime, and premium-pay claims, so any risk to those claims is a risk to this claim, and Mercury would argue that its positions on the meal, rest, and regular-rate issues were taken in good faith. Plaintiffs therefore substantially discounted this claim.

h) The Risks Associated with the Williams Individual Records Claims

38. Plaintiff Williams alleges that Mercury did not respond to his August 23, 2023 written request for his personnel and payroll records, which Mercury received on or about August 30 and September 4, 2023. The statutory penalty is $750 for each violation. (Lab. Code, §§ 226,

subd. (f), 1198.5, subd. (k).) The claim is individual to Plaintiff Williams, and its maximum value is therefore approximately $1,500 (two statutory penalties) plus fees.

i) The Risks Associated with the PAGA Claim

39. First, PAGA penalties are derivative of the underlying violations and carry each of the merits risks described above. Second, the Court may award less than the maximum penalty where the maximum would be unjust, arbitrary, and oppressive, or confiscatory (Lab. Code, § 2699, subd. (e)(2)), and has authority to limit the scope of a PAGA claim to ensure it can be effectively tried (Lab. Code, § 2699, subd. (p); see *Estrada v. Royalty Carpet Mills, Inc.* (2024) 15 Cal.5th 582). Third, the Class is arguably being compensated for the same underlying violations through the class settlement, which weighs against a large duplicative penalty. Plaintiffs therefore assigned $50,000 to PAGA penalties.

j) The Risk, Expense, Complexity, and Likely Duration of Further Litigation

40. Absent settlement, the Parties would face contested motions on relation back and limitations, a contested motion for class certification, expert discovery on time and payroll data, depositions of Plaintiffs and Mercury's person(s) most qualified on its break, timekeeping, and pay practices, summary adjudication, and a trial that would require sampling or other proof of violation rates across approximately 2,123 employees. Any judgment would be subject to post-trial motions and an appeal. The settlement provides certain and prompt relief.

k) The Risk of Maintaining Class Action Status through Trial

41. No class has been certified. (Ex. 1, ¶ 2.5.) Although Plaintiffs believe the claims are suitable for certification, certification is contested and discretionary, and a certified class may be decertified. The risks identified above—variation among shifts, work locations, supervisors, and pay plans, and the individualized nature of the "shortened meal period" and rest period theories—would be central to Mercury's opposition. Mercury also argued that Plaintiffs and the overwhelming majority of Class Members signed arbitration agreements with class action waivers. As such, Mercury contends that absent its agreement to not raise the arbitration agreements as an affirmative defense, any recovery to the Class Members would be limited to only the employees'

potential 25% share of PAGA civil penalties.

l) The Amount Offered in Settlement

42. The Settlement of $1,990,000.00 was the product of adversarial, arm's-length negotiations with the assistance of an experienced mediator, after Class Counsel's investigation and evaluation of the law, the risks, and the penalties reasonably likely to be awarded were the trier of fact to find Mercury liable. Further, an expert analyzed the data and built a damages model.

m) Plaintiffs' Assessment of Mercury's Maximum Exposure

43. Each "maximum exposure" figure below assumes Plaintiffs prevail on every contested issue, that a class is certified, and that the trier of fact awards the full statutory amount; it is not a prediction of the likely recovery. Set forth below, claim by claim, are the components of that exposure; the risks that informed the discount are described above.

44. Plaintiffs' expert, applying the time and payroll data, valued unpaid overtime on a five-day, eight-hour workweek basis at $82,772 in unpaid half-time premiums. The expert also valued unpaid wages due to rounding of recorded time at $296,626, using a method that counts only the pay periods in which an employee was underpaid by rounding, even though across all employees, Mercury's rounding practice resulted in a net overpayment and allegedly underpaid sick pay computed at the regular rate at $563,506. The expert's calculation of the regular-rate overtime theory pleaded in the TAC—that non-discretionary pay was omitted from the regular rate—yielded a gross figure of approximately $1,860,236 for pay periods with both overtime and additional compensation, but after offsetting the overtime premium Mercury actually paid on that additional compensation, the net result was an overpayment of approximately $14,830, which the model therefore does not count.

45. Using Mercury's time records, Plaintiffs' expert identified "unique" meal period violations as shifts with a first meal period recorded after the fifth hour, a first meal period shorter than 30 minutes, no first meal period on a shift over five hours, or no second meal period on a shift over ten hours, on approximately 11.5% of shifts over five hours, or approximately 114,056 shifts when extrapolated to the Class, for premiums of $2,710,587. After subtracting the $1,645,042 in meal premiums Mercury actually paid, the net premium exposure is $1,065,545, which

corresponds to a net violation rate of approximately 4.5% after offsetting premiums already paid. This figure assumes that Mercury's meal period waivers are invalid. The violations are driven principally by late first meal periods (approximately $956,000 in gross premiums) and missed second meal periods on shifts of ten to twelve hours (approximately $1,241,000, including shifts over twelve hours), together with missed first meal periods (approximately $776,000); short first meal periods account for only approximately $97,000. These figures count only violations visible in the time records; they do not value Plaintiffs' theory that even a recorded 30-minute meal period is not a compliant meal period because employees could not reach a break area and return within it.

46. Employers are not required to record rest periods, so Plaintiffs' expert assumed a 100% violation rate for every shift of at least 3.5 hours, approximately 1,017,109 shifts when extrapolated to the Class, at an average regular rate of approximately $23.85 for premiums of $24,401,394. This is the largest component of Plaintiffs' exposure model, representing approximately 88% of the model's total damages (before penalties). Plaintiffs do not contend that a 100% violation rate is realistic.

47. An employer must indemnify employees for all necessary expenditures incurred in the discharge of their duties, including a reasonable percentage of the cost of a personal cellular phone required for work. (Lab. Code, § 2802, subd. (a); *Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137, 1144.) Plaintiffs' expert valued reimbursement at $20 per employee per month, for a total of $1,280,540 extrapolated to the Class. (Lab. Code, § 2802, subd. (b) [interest]; *id.*, subd. (c) [fees].)

48. An employee injured by a knowing and intentional failure to provide an accurate wage statement may recover the greater of actual damages or $50 for the initial pay period and $100 for each subsequent pay period, up to $4,000 per employee. (Lab. Code, § 226, subd. (e)(1).) The statute carries a one-year limitations period. (Code Civ. Proc., § 340, subd. (a).) Plaintiffs' expert applied the statutory formula to 1,013 employees and 30,386 pay periods from September 11, 2022 through July 11, 2025 assuming that the claim relates back to the original complaint and that every wage statement in that period was deficient, for a maximum penalty of $2,987,986.

49. An employer that willfully fails to pay all wages due at separation owes the employee's daily wage for each day the wages remain unpaid, up to thirty days. (Lab. Code, §§ 201–203.) Plaintiffs' expert estimated approximately 1,000 former employees beginning September 11, 2020 and assumed the full thirty-day penalty at eight hours per day, for a maximum of $5,030,595.

50. Plaintiffs' expert calculated PAGA penalties at $100 per aggrieved employee per pay period for each distinct Labor Code violation, using biweekly pay periods and 1,013 aggrieved employees, for a stacked total of $11,596,900, consisting of: rest breaks, $3,036,400; wage statements, $3,036,400; reimbursements, $3,038,600; unpaid wages, $1,121,600; meal breaks, $850,000; sick pay, $499,600; and waiting time, $14,300. That figure "stacks" separate penalties for each violation in the same pay period; courts have not uniformly accepted that approach. It also applies the $100 rate throughout; applying the $200 subsequent-violation rate pleaded in the TAC would increase the figure. The $50,000 PAGA allocation is approximately 1.65% of counsel's realistic maximum and 0.43% of the stacked total. Counsel, however, considered a single $100 penalty per aggrieved employee per pay period—approximately $3,038,600 across the 30,386 PAGA pay periods—to be the realistic maximum for this claim.

51. Taking the foregoing claims together, Plaintiffs' expert estimated Mercury's total maximum exposure—before any discount for risk—at $38,747,564, comprised of $27,690,383 in damages (unpaid wages, meal and rest period premiums, sick pay, and unreimbursed expenses), $8,018,581 in waiting time and wage statement penalties, and $3,038,600 in PAGA penalties (counsel's realistic maximum of one $100 penalty per employee per pay period; if the stacked PAGA total of $11,596,900 were used, the total would be $47,305,864). The GSA of $1,990,000.00 represents approximately 5.1% of that theoretical maximum, approximately 5.6% of the non-PAGA exposure, and approximately 7.2% of the damages component alone.

52. Because the theoretical maximum assumes a 100% rest-period violation rate, the full thirty-day waiting time penalty for approximately 1,000 former employees, and PAGA penalties, the proper comparison is to the amount realistically recoverable after accounting for the limitations, arbitration, certification, proof, and good-faith risks discussed above. For example, if

the rest-period violation rate is assumed to equal the 11.5% unique meal violation rate shown in Mercury's own time records, the rest-period premium exposure falls from $24,401,394 to approximately $2,806,160, and total damages (before penalties) fall from $27,690,383 to approximately $6,095,149, of which the GSA represents approximately 33%. On a per employee basis, the GSA represents approximately $937 per Class Member and $10.01 per Class Workweek, and the estimated net payment averages approximately $561 per Class Member and $6.00 per Class Workweek.

53. Even if Plaintiffs prevailed at certification and trial, Class Members would not be paid for years given post-trial motions and appeals, and the time value of a certain, present recovery further supports the compromise. Class Counsel believes the GSA is fair, reasonable, and within the range of reasonableness warranting preliminary approval.

ATTORNEY COMPETENCE

54. Kingsley Szamet Employment Lawyers is very experienced in prosecuting employment litigation, and since the year 2000 we have focused our practice on litigating complex wage, hour, and working condition violations. My firm is extremely well-versed in class and representative action litigation and has diligently pursued this action. Kingsley Szamet Employment Lawyers currently serves as Class Counsel for dozens of pending class action lawsuits in Northern, Central, and Southern California. Below is a very small but representative sampling of wage and hour class cases handled by my firm:

a. *Goodman v. Crystal Ventures, Inc.* (No. BC245561, L.A. Super. Ct.) In January 2002, the Hon. Anthony Mohr granted final approval of settlement in the gross amount of $255,000 and the court approved the attorneys' fee request of 33 1/3%.

b. *Daniel v. Network Management Corp.* (No. BC274004, L.A. Super. Ct.) In September 2003, the court granted final approval of Settlement in the gross amount of $475,000 and the court approved the attorneys' fee request of 30%.

c. *Johnston v. The Cheesecake Factory* (No. BC316180, L.A. Super. Ct.) In December 2005, the Hon. Rita Miller granted final approval of Settlement in the gross amount of $4,000,000 and the court granted attorneys' fees request of 30%.

d. *Tumino v. HOB Entertainment* (No. BC327962, L.A. Super. Ct.) In May 2006, the Hon. Conrad R. Aragon granted final approval of Settlement in the gross amount of $1,000,000 and the court granted attorneys' fees request of 30%.

e. *Ryan v. Hilton Hotels Corporation,* (No. BC364260, L.A. Super. Ct.) In March 2008, the Hon. Mary Thornton House granted final approval of Settlement in the gross amount of $1,675,000.00 and attorneys' fees request of $558,333.33 (33.33%).

f. *Gerritson v. Styles For Less, Inc.*, (No. BC402921, L.A. Super. Ct.) In September 2010, the Hon. Kenneth R. Freeman granted final approval of Settlement in the gross amount of $2,000,000.00, and attorneys' fees request of $666,666.67 (33.33%).

g. *Lewis v. Collabrus, Inc., et al.*, (No. 109CV-142927, Santa Clara Super. Ct.) In March 2012, the Hon. James P. Kleinberg granted final approval of Settlement in the gross amount of $2,000,000.00, and attorneys' fees request of $666,666.67 (33.33%).

h. *Hirschinger v. Blue Cross of California*, (No. BC402739, L.A. Super. Ct.) In June 2013, the Hon. Lee Smally Edmund granted final approval of Settlement in the gross amount of $4,700,000.00, and the court granted attorneys' fees request of 38%.

i. *Anderson v. Total Renal Care, Inc.*, (No. BC388335, L.A. Super. Ct.) In January 2014, the Hon. William F. Highberger granted final approval of Settlement in the gross amount of $1,500,000.00 and attorneys' fees request of $500,000 (33.33%).

j. *Westbrook v. International Surfacing Systems*, (No. RG10510015, Alameda Super. Ct.) In August 2015, the Hon. Wynne Carvill granted final approval of Settlement in the gross amount of $995,000.00, and the court granted attorney's fees request of 33.33%.

k. *Kane et al.* v. *Valley Slurry Seal*, (No. CV08-2483, Yolo Super. Ct.) In March 2016 after a class trial with a verdict in favor of the class, the Hon. Daniel P. Maguire,

awarded Kingsley & Kingsley and co-counsel $996,232.72 in attorney's fees.

l. *Aparacio v. Abercrombie & Fitch Stores, Inc.*, (No. BC499281, L.A. Super. Ct.) In June 2016, the Hon. Kenneth Freeman granted final approval of Settlement in the gross amount of $2,000,000.00, and attorneys' fees request of $666,666.67 (33.33%).

m. *Pineda, et al. v. Grimmway Enterprises, Inc*., (No. BCV-15-101333, Kern Super. Ct.) In January 2018, the Hon. Stephen D. Schuett granted final approval of Settlement in the gross amount of $9,000,000 with attorneys' fees request of $3,000,000 (33.33%).

n. *Hernandez v. Broward Builders, Inc*., (No. CV-18-2032, Sacramento Super. Ct.) In October 2020, the Hon. Peter M. Williams granted final approval of the Settlement in the amount of $1,500,000 with attorney's fee request of $500,000 (33.33%).

o. *Amaro et al. v Gerawan Farming, Inc*., (No. 1:14-cv-00147-DAD-SAB (E.D. Cal.).) In October 2020, the Hon. Dale Drodz granted final approval of Settlement in the amount of $5,000,000, and attorneys' fee request of $1,500,000 (30%).

p. *Gettys v. Banc of American Merchant Services, LLC*, (No. 19STCV17233, L.A. Super. Ct.) In March 2021, the Hon. Ann I. Jones granted final approval of the Settlement in the amount of $1,900,000, and attorneys' fee request of $633,333.33 (33.33%).

q. *Griffin, et al. v. Cavco Industries; Fleetwood Homes* (No. CIVDS1927889, San Bernardino Super. Ct.) In November 2021, the Hon. David Cohn granted final approval of the Settlement in the amount of $2,250,000, and attorneys' fee request of $750,000 (33.33%).

r. *Autozone Suitable Seating Cases included actions Meda v. Autozone, Inc. et al, (No. BC683600, and Gonzalez v. Autozoners, Inc.* (No. 23CV411824). In July 2025, Judge Laura A. Seigle granted approval of a PAGA Settlement in the amount of

$5,932,350, and attorneys' fees of $1,976,964.26 (33.33%).

s. *Espinoza, et al. v. Warehouse Demo Services, Inc; Club Demonstration Services, Inc.* (No. 17CV310844, Santa Clara Superior Ct). In January 2026, the Hon. Thedore Zayner granted final approval of the Settlement in the amount of $10,200,000, and an attorneys' fees request of $3,400,000 (33.33%).

55. Kingsley Szamet Employment Lawyers filed its first motion for class certification in the year 2000 and since that time has been appointed Class Counsel on dozens of wage and hour class actions that have been approved for class certification. Since 2011, Kingsley Szamet Employment Lawyers has moved for class certification in 16 matters and has successfully obtained class certification in all 15 of those cases. A brief sampling of which includes:

a. *Lewis v. Collabrus, Inc., Santa Clara County Superior Court (109CV-142927), approved for Class Certification in 2011.*

b. *Melendrez v. JK Communications, No. BC497692, (L.A. Super. Ct., filed December 19, 2012) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).*

c. *Amaro, et al v. Gerawan Farming, Inc., No. 1:14-cv-00147-DAD-SAB (E.D. Cal., filed February 3, 2014) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).*

d. *Suarez v. Mazatlan, Inc., No. 37-2015-00002978-CU-OE-CTL (S.D. Super. Ct., filed January 27, 2015) (court granted contested class certification and appointed Kingsley & Kingsley as class counsel).*

e. *Ruiz v. Daniel C. Salas Harvesting, Inc., Kings County Superior Court (16 C 0214). contested class certification granted in June 2020.*

f. *Weldon v. Geo Corrections & Detentions, LLC, Kern County Superior Court (BCV-16-102833), contested class certification granted in 2018.*

g. *Patton v. Skyler Electric, Nevada County Superior Court, (CU17-082544), contested class certification granted in June 2020.*

h. *Hameister v. Jaco Oil Company, Kern County Superior Court (BCV-17-102876),*

contested class certification granted in August 2020.

56. Class Counsel is experienced in the handling of wage and hour class actions and supports this Settlement. Based on its analysis, Class Counsel believes that this settlement is fair and reasonable and in the best interest of the Class.

57. After factoring in the risks explained above, Class Counsel believes that the proposed settlement is fair and reasonable.

SUBMISSION TO THE LABOR WORKFORCE DEVELOPMENT AGENCY

58. Proof of submission of Plaintiff's Motion, all related documents, and copy of the email from the LWDA confirming receipt is attached to the Declaration of Kelsey M. Szamet as Exhibit "2."

EXHIBITS

59. Attached hereto as Exhibit "1" is a true and correct copy of the fully-executed Class Action and PAGA Settlement Agreement and Class Notice ("Agreement").

60. Attached hereto as Exhibit "2" is a true and correct copy of the proof of submission of Plaintiff's Motion, all related documents, and copy of the email from the LWDA confirming receipt.

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

This Declaration was executed this 9th day of November, 2026, in Encino, California.

Kelsey M. Szamet

EXHIBIT "1"

Vinesign Document ID: 3D846620-7CA3-4DE5-8627-37F050039012

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiffs TIMOTHY WILLIAMS and JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO ("Plaintiffs") and Defendant MERCURY AIR CARGO, LLC ("Defendant"). The Agreement refers to Plaintiffs and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS.

1.1. "Action" means the Plaintiffs' lawsuit alleging wage and hour violations against Defendant captioned TIMOTHY WILLIAMS; JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO; as individuals, on behalf of themselves and other similarly situated, PLAINTIFFS v. MERCURY AIR CARGO, LLC; and DOES 1 thru 50, inclusive, DEFENDANTS, Case No. 23STCV21753 initiated on September 11, 2023, and pending in Superior Court of the State of California, County of Los Angeles.

1.2. "Administrator" means Xpand Legal Consulting LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval of the Settlement.

1.4. "Aggrieved Employee" means "all non-exempt employees who are employed or have been employed by Mercury Air Cargo, LLC, in the State of California who worked one or more pay periods from September 11, 2022 to September 9, 2025.

1.5. "Class" means "All current and former non-exempt employees who worked for MERCURY AIR CARGO, LLC, in the State of California between September 11, 2019 to September 9, 2025"

1.6. "Class Counsel" means Kingsley Szamet Employment Lawyers, Abramson Labor Group, and Haines Law Group, APC.

1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys' fees and expenses, respectively, incurred to prosecute the Action.

1.8. "Class Data" means Class Member identifying information in Defendant's possession including the Class Member's name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

The signed document can be validated at https://app.vinesign.com/Verify

1.9. "Class Member" or "Settlement Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English with a Spanish translation, if applicable in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.12. "Class Period" means the period from September 11, 2019 to September 9, 2025.

1.13. "Class Representative" means named Plaintiffs in the operative complaint, TIMOTHY WILLIAMS and JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO, in the Action seeking Court approval to serve as a Class Representative.

1.14. "Class Representative Service Payment" means the payment to the Class Representatives for initiating the Action and providing services in support of the Action.

1.15. "Court" means the Superior Court of California, County of Los Angeles.

1.16. "Defendant" means named Defendant MERCURY AIR CARGO, LLC.

1.17. "Defense Counsel" means Fisher & Phillips LLP

1.18. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19. "Final Approval" means the Court's order granting final approval of the Settlement.

1.20. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement.

1.21. "Final Judgment" means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

1.22. "Gross Settlement Amount" means $1,990,000.00 which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 9 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses.

1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.

1.25. "Judgment" means the judgment entered by the Court based upon the Final Approval.

1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.29. "Non-Participating Class Member" means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

1.30. "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

1.31. "PAGA Period" means the period from September 11, 2022 to September 9, 2025.

1.32. "PAGA" means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.33. "PAGA Notice" means Plaintiff Williams's September 11, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.34. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees ($12,500.00) and the 75% to LWDA ($37,500.00) in settlement of PAGA claims.

1.35. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.36. "Plaintiffs" means TIMOTHY WILLIAMS and JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO, and to the extent necessary for effectuating and securing the release of claims, Jackie Saucedo, as the named plaintiffs in the Action.

1.37. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement.

1.38. "Preliminary Approval Order" means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

1.39. "Released Class Claims" means the claims being released as described in Paragraph 5.2 below.

1.40. "Released PAGA Claims" means the claims being released as described in Paragraph 5.3 below.

1.41. "Released Parties" means: Defendants and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, parents, subsidiaries, affiliates.

1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.43. "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

1.44. "Settlement" means the disposition of the Action effected by this Agreement and the Judgment.

1.45. "Workweek" means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. RECITALS.

2.1. On September 11, 2023, Plaintiff Timothy Williams commenced this Action by filing a Class Action Complaint alleging causes of action against Defendant for failure to reimburse wages pursuant to Labor Code section 2802, and violation of Business & Professions Code section 17200. On September 11, 2023, Plaintiff sent a notice letter to the Labor Workforce Development Agency ("LWDA") regarding his intent to seek civil penalties for the same Labor Code violations above, under Labor Code section 2699, et seq. On November 16, 2023, Plaintiff filed a First Amended Complaint adding an additional cause of action for penalties pursuant to Labor Code § 2699, et seq., the Private Attorneys General Act ("PAGA") based on the underlying Labor Code violations already pled. On April 12, 2024, Plaintiff filed a Second Amended Representative Action Complaint, removing the class allegations and pursuing a single cause of action for penalties pursuant to PAGA. On December 27, 2023, Plaintiff Sergio Saucedo filed a representative action complaint against Defendant for civil penalties pursuant to PAGA. As a part of the Settlement, the Parties agreed to stipulate to the filing of a Third Amended Complaint, filed on January 6, 2026, adding all claims and factual allegations alleged in the *Williams* action, adds all claims and factual allegations in the *Saucedo* action, and adds JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO as a Plaintiff in the Action. The Operative Complaint is the Third Amended Class and Representative Action Complaint ("TAC"). Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2. Pursuant to Labor Code section 2699.3, subd.(a), Plaintiffs gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3. On July 11, 2025, the Parties participated in an all-day mediation presided over by Russ J. Wunderli which led to this Agreement to settle the Action.

2.4. Prior to mediation, Plaintiffs obtained, through informal discovery, time and pay records for the Class Members. Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

2.5. The Court has not granted class certification.

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

3. MONETARY TERMS.

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay $1,990,000.00 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

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

3.2.1. To Plaintiffs: Class Representative Service Payment to the Class Representative of not more than $10,000.00 each (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiffs' request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than _33.33_%, which is currently estimated to be $663,333.33 and a Class Counsel Litigation Expenses Payment of not more than $50,000.00. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses

Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3. To the Administrator: An Administrator Expenses Payment not to exceed $15,000.00except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than $15,000.00, the Administrator will retain the remainder in the Net Settlement Amount.

3.2.4. To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

3.2.4.2. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

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

3.2.5.1. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties ($12,500.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement

Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 2123 Class Members who collectively worked a total of 198,727 Workweeks, and 1,350 of Aggrieved Employees who worked a total 54,418 of PAGA Pay Periods.

4.2. Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3. Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

4.4.1. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments

to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

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

4.4.3. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).].

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

5. RELEASES OF CLAIMS. Effective on the date when Defendant the Court enters a Judgment on its Order Granting Final Approval of the Settlement and the Judgment is final, and provided Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs will provide a general release and release all claims as set forth in section 5.1, each Participating Class Member will release the Released Parties of the Released Class Claims, and each Aggrieved Employee will release the Released Parties of the Released PAGA Claims. More specifically:

5.1 Plaintiffs' Release. Plaintiffs and each of their respective former and present spouses, estates, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint, (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiffs' PAGA Notice, or ascertained during the Action and released under 5.2, below, and (c) all claims, known or unknown, related to each Plaintiff's employment with any of the Released

Parties, or the cessation of that employment. ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now knows or believes to be true but agrees, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or Released Party.

5.2 Release by Participating Class Members of the Released Class Claims: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all Released Class Claims, defined as: (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including, e.g., claims for: (a) failure to pay minimum wages and liquidated damages; (b) failure to pay overtime wages, including any policies or practices of failing to pay overtime for more than eight (8) hours worked in a day or forty (40) hours worked in a week; (c) failure to provide uninterrupted meal periods free from employer control or compensation in lieu thereof; (d) failure to provide uninterrupted rest periods free from employer control or compensation in lieu thereof; (e) failure to furnish and/or maintain accurate itemized wage statements; (f) failure to timely pay all wages due upon separation of employment; (g) failure to reimburse business expenses, specifically including work gear such as boots and uniforms; (h) unfair business practices; (i) suffering or permitting employees to work off-the-clock; (j) illegal rounding of meal breaks and shift start and stop times; (k) failure to include all forms of remuneration in the regular rate calculation, including but not limited to non-discretionary bonuses, shift differential pay, acting supervisor pay, commissions, piece rate work, and other pay codes; (l) unreimbursed expenses including but not limited to expenses related to boots, gear, uniforms, cell phone use, including but not limited to employees using their personal cellular phones to communicate with other employees managers/supervisors, and/or customers; (m) use of meal period waivers; (n) failure to provide a second meal period for 10 hours of work; (o) willful failure to provide meal or rest periods or meal or rest period pay; (p) failure to pay vacation pay at the regular rate upon termination; (q) willful failures to pay wages upon termination; (r) failure to

pay overtime, double time, sick pay, meal period penalties, and rest break penalties at or based on the regular rate; (s) interest; (t) unpaid wages due to inaccurate or edited time records; (u) inaccurate wage statements and payroll records as a result of Defendant's failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures; (v) failure to provide meal periods that were a full 30 minutes, including employees shortening their meal periods due to the distance from Defendant's restrooms and the breakrooms; (w) failure to provide a full 30 minute meal period for shifts over ten (10) hours; (x) policies and practices of requiring employees to sign a post-hoc meal period waiver on the day following the missed meal period, resulting in invalidly waived meal periods; (y) failure to provide a first meal period before the fifth hour of work; (z) failure to pay overtime at the regular rate of pay; (aa) failure to authorize and permit one rest period for every four hours worked, or major fraction thereof; (bb) failure to provide a full ten (10) minute rest period; (cc) as a result of purported failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures, Defendant failed to pay all wages to employees at the separation of their employment; (dd) inaccurate wage statement due to failing to list applicable hourly rates and the numbers of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate, failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID properly, failure to list the full legal name and address of the employer, failure to list inclusive dates for which employees are paid, failure to provide employees with the ability to easily access wage statements and get hard copies at no expense to the employee, and/or failure to state all hours worked as a result of off-the clock work. (ee) failure to provide all legally required sick time and sick pay; and (ff) attorneys' fees and costs. Participating Class Members do not release any other claims, including claims for wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA Claims, which is defined as all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and/or stated in any PAGA including any and all claims and PAGA penalties based on any of the following: (a) failure to pay minimum wages and liquidated damages; (b) failure to pay overtime wages, including any policies or practices of failing to pay overtime for more than eight (8) hours worked in a day or forty (40) hours worked in a week; (c) failure to provide uninterrupted meal periods free from employer control or compensation in

lieu thereof; (d) failure to provide uninterrupted rest periods free from employer control or compensation in lieu thereof; (e) failure to furnish and/or maintain accurate itemized wage statements; (f) failure to timely pay all wages due upon separation of employment; (g) failure to reimburse business expenses, specifically including work gear such as boots and uniforms; (h) unfair business practices; (i) suffering or permitting employees to work off-the-clock; (j) illegal rounding of meal breaks and shift start and stop times; (k) failure to include all forms of remuneration in the regular rate calculation, including but not limited to non-discretionary bonuses, shift differential pay, acting supervisor pay, commissions, piece rate work, and other pay codes; (l) unreimbursed expenses including but not limited to expenses related to boots, gear, uniforms, cell phone use, including but not limited to employees using their personal cellular phones to communicate with other employees managers/supervisors, and/or customers; (m) use of meal period waivers; (n) failure to provide a second meal period for 10 hours of work; (o) willful failure to provide meal or rest periods or meal or rest period pay; (p) failure to pay vacation pay at the regular rate upon termination; (q) willful failures to pay wages upon termination; (r) failure to pay overtime, double time, sick pay, meal period penalties, and rest break penalties at or based on the regular rate; (s) interest; (t) unpaid wages due to inaccurate or edited time records; (u) inaccurate wage statements and payroll records as a result of Defendant's failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures; (v) failure to provide meal periods that were a full 30 minutes, including employees shortening their meal periods due to the distance from Defendant's restrooms and the breakrooms; (w) failure to provide a full 30 minute meal period for shifts over ten (10) hours; (x) policies and practices of requiring employees to sign a post-hoc meal period waiver on the day following the missed meal period, resulting in invalidly waived meal periods; (y) failure to provide a first meal period before the fifth hour of work; (z) failure to pay overtime at the regular rate of pay; (aa) failure to authorize and permit one rest period for every four hours worked, or major fraction thereof; (bb) failure to provide a full ten (10) minute rest period; (cc) as a result of purported failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures, Defendant failed to pay all wages to employees at the separation of their employment; (dd) inaccurate wage statement due to failing to list applicable hourly rates and the numbers of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate, failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID properly, failure to list the full legal name and address of the employer, failure to list inclusive dates for which employees are paid, failure to provide employees with the ability to easily access wage statements and get hard copies at no expense to the employee, and/or failure to state all hours worked as a result of off-the clock work. (ee) failure to provide all legally required sick time and sick pay; and (ff) attorneys' fees and costs.

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1 Defendant's Declaration in Support of Preliminary Approval. Within 21 days of the full execution of this Agreement, Defendant will prepare and deliver to Class Counsel a signed Declaration from Defendant and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Plaintiffs' Responsibilities. Plaintiffs will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiffs, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section 2699, subd. (l)(2)); and all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their Declarations, Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will

expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

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

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

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

7.4 Notice to Class Members.

7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, if applicable substantially in the form attached to this Agreement as Exhibit _A__. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current

address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendant or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement,

entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 5.3 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 60 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 60 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

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

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.

7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

7.8.5 Administrator's Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and

compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

7.8.6 Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. CLASS SIZE ESTIMATES and ESCALATOR CLAUSE Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 2123 Class Members and 198,727 Total Workweeks during the Class period and (2) there were 1,350 Aggrieved Employees who worked 54,418 Pay Periods during the PAGA Period.

8.1 If the number of workweeks worked by all Class Members during the Class Period is ultimately determined to exceed 218,600 (198,727 + 10%), then the Gross Settlement Amount shall be increased by a pro rata amount for each additional workweek beyond the 218,600 workweeks. However, Defendant has the right at its sole discretion to shorten the Class Period to cover the time period encompassing 218,600 workweeks or less in lieu of increasing the Gross Settlement Amount.

9. DEFENDANT'S RIGHT TO WITHDRAW. If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Expenses incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than seven days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

10. MOTION FOR FINAL APPROVAL. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiffs will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment

(collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel not later than seven days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later that five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

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

10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

12. ADDITIONAL PROVISIONS.

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

12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiffs,

Class Counsel, Defendant and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.

12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.

12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant unless, prior to the Court's discharge of the Administrator's obligation, Defendant makes a written request to Class Counsel for the return, rather than the destructions, of Class Data.

12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs:

Kingsley Szamet Employment Lawyers
Eric B. Kingsley
Kelsey M. Szamet
Jessi Bulaon
16133 Ventura Blvd., Suite 1200
Encino, CA 91436

HAINES LAW GROUP, APC
Paul K. Haines
Sean Blakely
2155 Campus Drive, Suite 180
El Segundo, California 90245

To Defendant:

FISHER & PHILLIPS LLP
James C. Fessenden
Lauren M. Guggisberg
4747 Executive Drive, Suite 1000
San Diego, California 92121

Landon R. Schwob
444 South Flower Street, Suite 1500
Los Angeles, California 90071

Lirit A. King
21600 Oxnard Street, Suite 700
Woodland Hills, California 91367

12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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

DATED: 09/17/2026

By: _____
PLAINTIFF Timothy Williams

DATED: 09/16/26

By: _____
Jackie Saucedo (Sep 16, 2026 17:01:59 PDT)
Plaintiff Jackie Saucedo as Successor-in-Interest to Sergio Saucedo.

DATED: _____

By: _____
Defendant MERCURY AIR CARGO, LLC

DATED: 9/17/2026

KINGSLEY SZAMET EMPLOYMENT LAWYERS

By: _____
Eric B. Kingsley
Kelsey M. Szamet
Jessi Bulaon
Attorneys for Plaintiffs and the proposed class

DATED: 9/16/2026

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean Blakely
Attorneys for Plaintiffs and the proposed class

DATED: _____

FISHER & PHILLIPS LLP

By: _____
James C. Fessenden
Landon R. Schwob
Lirit A. King

DATED: _____

By: _____
PLAINTIFF Timothy Williams

DATED: 09/16/26

By: Jackie Saucedo (Sep 16, 2026 17:01:59 PDT)
Plaintiff Jackie Saucedo as Successor-in-Interest to Sergio Saucedo.

DATED: 10/5/2026

By: Emily Somerville
Defendant MERCURY AIR CARGO, LLC

DATED: _____

KINGSLEY SZAMET EMPLOYMENT LAWYERS

By: _____
Eric B. Kingsley
Kelsey M. Szamet
Jessi Bulaon
Attorneys for Plaintiffs and the proposed class

DATED: 9/16/2026

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean Blakely
Attorneys for Plaintiffs and the proposed class

DATED: 10/05/2026

FISHER & PHILLIPS LLP

By: _____
James C. Fessenden
Landon R. Schwob
Lirit A. King

Lauren M. Guggisberg
Attorneys for Defendant

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

TIMOTHY WILLIAMS; JACKIE SAUCEDO AS SUCCESSOR-IN-INTEREST TO SERGIO SAUCEDO; as individuals, on behalf of themselves and other similarly situated, PLAINTIFFS v. MERCURY AIR CARGO, LLC; and DOES 1 thru 50, inclusive, DEFENDANTS, Los Angeles Case No. 23STCV21753

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

You may be eligible to receive money from an employee class action lawsuit ("Action") against MERCURY AIR CARGO, LLC ("Defendant" or "Mercury") for alleged wage and hour violations. The Action was filed by former Mercury employees TIMOTHY WILLIAMS and SERGIO SAUCEDO ("Plaintiffs") and seeks payment of (1) back wages and other relief for a class of non-exempt employees ("Class Members") who worked for Mercury during the Class Period (September 11, 2019to September 9, 2025); and (2) penalties under the California Private Attorney General Act ("PAGA") for all non-exempt employees who worked for Defendant during the PAGA Period (September 11, 2022 to August 12, 2025) ("Aggrieved Employees").

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

Based on Defendant's records, and the Parties' current assumptions, **your Individual Class Payment is estimated to be $_____ (less withholding) and your Individual PAGA Payment is estimated to be $_____**. The actual amount you may receive likely will be different and will depend on a number of factors. (If no amount is stated for your Individual PAGA Payment, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you didn't work during the PAGA Period.)

The above estimates are based on Defendant's records showing that **you worked _____ workweeks** during the Class Period and **you worked _____ pay periods** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiffs and Plaintiffs' attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment

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

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

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

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

Defendant **will not retaliate against you for any actions you take with respect to the proposed Settlement.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement **The Opt-out Deadline is [date]**	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section **6** of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel

but not the PAGA Settlement **Written Objections Must be Submitted by [date]**	and Plaintiff who pursued the Action on behalf of the Class. 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 Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section **7** of this Notice.
You Can Participate in the [date] Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [date]. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section **8** of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by [date]**	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [date]. See Section **4** of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiffs are former Mercury Air Cargo, LLC employees. The Action accuses Defendant of violating California labor laws by failing to pay overtime wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements. Based on the same claims, Plaintiffs have also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiffs are represented by attorneys in the Action: Eric B. Kingsley and Kelsey M. Szamet of Kingsley Szamet Employment Lawyers, and Paul K. Haines and Sean M. Blakely of Haines Law Group, APC ("Class Counsel.")

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

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

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiffs and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement,

Plaintiffs and Defendant have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiffs and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay $1,990,000.00 as the Gross Settlement Amount (Gross Settlement). Defendant has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Gross Settlement not more than 14 days after the Judgment entered by the Court become final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:

    A. Up to $663,333.33 (33.33% of the Gross Settlement] to Class Counsel for attorneys' fees and up to $40,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

    B. Up to $10,000.00 each as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiffs will receive other than Plaintiffs' Individual Class Payment and any Individual PAGA Payment.

    C. Up to $[amount] to the Administrator for services administering the Settlement.

    D. Up to $50,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.

4. Taxes Owed on Payments to Class Members. Plaintiffs and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion."). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

   Although Plaintiffs and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [date], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the [date] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against Defendant.

   You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against Defendant based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Administrator. The Court has appointed a neutral company, [name] (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

   The Participating Class Members will be bound by the following release:

   > All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including, e.g., claims for: (a) failure to pay minimum wages and liquidated damages; (b) failure to pay overtime wages, including any policies or practices of failing to pay overtime for more than eight (8) hours worked in a day or forty (40) hours worked in a week; (c) failure to provide uninterrupted meal periods free from employer control or compensation in lieu thereof; (d) failure to provide uninterrupted rest periods free from employer control or compensation in lieu thereof; (e) failure to furnish and/or maintain accurate itemized wage statements; (f) failure to timely pay all wages due upon separation of employment; (g) failure to reimburse business expenses, specifically including work gear such as boots and uniforms; (h) unfair business practices; (i) suffering or permitting employees to work off-the-clock; (j) illegal rounding of meal breaks and shift start and stop times; (k) failure to include all forms of remuneration in the regular rate calculation, including but not limited to non-discretionary bonuses, shift differential pay, acting supervisor pay, commissions, piece rate work, and other pay codes; (l) unreimbursed expenses including but not limited to expenses related to boots, gear, uniforms, cell phone

use, including but not limited to employees using their personal cellular phones to communicate with other employees managers/supervisors, and/or customers; (m) use of meal period waivers; (n) failure to provide a second meal period for 10 hours of work; (o) willful failure to provide meal or rest periods or meal or rest period pay; (p) failure to pay vacation pay at the regular rate upon termination; (q) willful failures to pay wages upon termination; (r) failure to pay overtime, double time, sick pay, meal period penalties, and rest break penalties at or based on the regular rate; (s) interest; (t) unpaid wages due to inaccurate or edited time records; (u) inaccurate wage statements and payroll records as a result of Defendant's failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures; (v) failure to provide meal periods that were a full 30 minutes, including employees shortening their meal periods due to the distance from Defendant's restrooms and the breakrooms; (w) failure to provide a full 30 minute meal period for shifts over ten (10) hours; (x) policies and practices of requiring employees to sign a post-hoc meal period waiver on the day following the missed meal period, resulting in invalidly waived meal periods; (y) failure to provide a first meal period before the fifth hour of work; (z) failure to pay overtime at the regular rate of pay; (aa) failure to authorize and permit one rest period for every four hours worked, or major fraction thereof; (bb) failure to provide a full ten (10) minute rest period; (cc) as a result of purported failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures, Defendant failed to pay all wages to employees at the separation of their employment; (dd) (ee) inaccurate wage statement due to failing to list applicable hourly rates and the numbers of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate, failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID properly, failure to list the full legal name and address of the employer, failure to list inclusive dates for which employees are paid, failure to provide employees with the ability to easily access wage statements and get hard copies at no expense to the employee, and/or failure to state all hours worked as a result of off-the clock work. (ff) failure to provide all legally required sick time and sick pay; and (gg) attorneys' fees and costs. Participating Class Members do not release any other claims, including claims for wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. Except as set forth in Section 5.3 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

10. Aggrieved Employees' PAGA Release. After the Court's judgment is final, and Defendant has paid the Gross Settlement (and separately paid the employer-side payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and

those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

> All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and/or the PAGA Notice including, e.g., (a) failure to pay minimum wages and liquidated damages; (b) failure to pay overtime wages, including any policies or practices of failing to pay overtime for more than eight (8) hours worked in a day or forty (40) hours worked in a week; (c) failure to provide uninterrupted meal periods free from employer control or compensation in lieu thereof; (d) failure to provide uninterrupted rest periods free from employer control or compensation in lieu thereof; (e) failure to furnish and/or maintain accurate itemized wage statements; (f) failure to timely pay all wages due upon separation of employment; (g) failure to reimburse business expenses, specifically including work gear such as boots and uniforms; (h) unfair business practices; (i) suffering or permitting employees to work off-the-clock; (j) illegal rounding of meal breaks and shift start and stop times; (k) failure to include all forms of remuneration in the regular rate calculation, including but not limited to non-discretionary bonuses, shift differential pay, acting supervisor pay, commissions, piece rate work, and other pay codes; (l) unreimbursed expenses including but not limited to expenses related to boots, gear, uniforms, cell phone use, including but not limited to employees using their personal cellular phones to communicate with other employees managers/supervisors, and/or customers; (m) use of meal period waivers; (n) failure to provide a second meal period for 10 hours of work; (o) willful failure to provide meal or rest periods or meal or rest period pay; (p) failure to pay vacation pay at the regular rate upon termination; (q) willful failures to pay wages upon termination; (r) failure to pay overtime, double time, sick pay, meal period penalties, and rest break penalties at or based on the regular rate; (s) interest; (t) unpaid wages due to inaccurate or edited time records; (u) inaccurate wage statements and payroll records as a result of Defendant's failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures; (v) failure to provide meal periods that were a full 30 minutes, including employees shortening their meal periods due to the distance from Defendant's restrooms and the breakrooms; (w) failure to provide a full 30 minute meal period for shifts over ten (10) hours; (x) policies and practices of requiring employees to sign a post-hoc meal period waiver on the day following the missed meal period, resulting in invalidly waived meal periods; (y) failure to provide a first meal period before the fifth hour of work; (z) failure to pay overtime at the regular rate of pay; (aa) failure to authorize and permit one rest period for every four hours worked, or major fraction thereof; (bb) failure to provide a full ten (10) minute

rest period; (cc) as a result of purported failure to pay all meal and rest period premium wages, and failure to reimburse for necessary business expenditures, Defendant failed to pay all wages to employees at the separation of their employment; (dd) (ee) inaccurate wage statement due to failing to list applicable hourly rates and the numbers of hours worked at each rate, failure to list piece-rate units earned and the applicable piece-rate, failure to list deductions, failure to track sick leave, failure to list the employee and SSN/EID properly, failure to list the full legal name and address of the employer, failure to list inclusive dates for which employees are paid, failure to provide employees with the ability to easily access wage statements and get hard copies at no expense to the employee, and/or failure to state all hours worked as a result of off-the clock work. (ff) failure to provide all legally required sick time and sick pay; and (gg) attorneys' fees and costs..

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing $[amount] by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.

3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until [date] to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

   You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of Workweeks and/or Pay Periods 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 Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

   Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as Timothy Williams et al. v. Mercury Air Cargo, LLC, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself, or it may be made by your attorney. If someone else makes the request for you other than your attorney, it will not be valid. **The Administrator must be sent your request to be excluded by [date], or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiffs and Defendant are asking the Court to approve. At least 16 court days before the [date] Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website **[need details]** or the Court's website **[need details].**

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [date]**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the

Action Timothy Williams et al. v. Mercury Air Cargo, LLC and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on [date] at [time] in Department 10 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (https://www.lacourt.org/lacc/. []. Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiffs have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to [**specify whose**] website at [URL of website]. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) [**confirm**] and entering the Case Number for the Action, Case No. 23STCV21753. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:
KINGSLEY SZAMET EMPLOYMENT LAWYERS
Eric B. Kingsley
Kelsey M. Szamet

eric@kingsleylawyers.com
kelsey@kingsleylawyers.com
16133 Ventura Blvd., Suite 1200
Encino, CA 91436
Tel: (818) 990-8300

HAINES LAW GROUP, APC
Paul K. Haines
Sean M. Blakely
phaines@haineslawgroup.com
sblakely@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, CA 90245

Settlement Administrator:
[Name of Company]
[Email Address]
[Mailing Address]
[Telephone]
[Fax Number]

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund [website] for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

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

(Proof of Submission to Labor &
Workforce Development Agency)

EXHIBIT "2"

(PROOF OF SERVICE)
[CCP 1013(a)(3)]
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 years and not a party to the within action. My business address is 16133 Ventura Boulevard, Suite 1200, Encino, California 91436.

On November 9, 2026, I served all interested parties in this action the following documents described as: **DECLARATION OF KELSEY M. SZAMET IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT** by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

FISHER & PHILLIPS LLP
James C. Fessenden
E-Mail: jfessenden@fisherphillips.com
Julia Sherwood
E-Mail: jsherwood@fisherphillips.com
4747 Executive Drive, Suite 1000
San Diego, California 92121
Attorneys for Defendant

ABRAMSON LABOR GROUP
William Zev Abramson
wza@abramsonlabor.com
11846 Ventura Blvd., Suite 100
Studio City, CA 91604
Tel: (213) 493-6300, Fax (213) 382-4083
Attorneys for Plaintiff

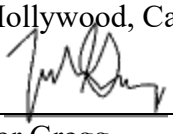
HAINES LAW GROUP, APC
Paul K. Haines, Esq. (SBN 248226)
Sean M. Blakely, Esq. (SBN 264384)
Aden M. Khachadoorian, Esq. (SBN 346908)
2155 Campus Drive., Suite 180
El Segundo, CA 90245

[XX] BY ELECTRONIC SERVICE: I caused a true and correct copy thereof to be electronically filed using the Labor and Workforce Development Agency Electronic Filing ("EF") System (https://dir.tfaforms.net/315) and service was completed by electronic means by transmittal of the documents referenced herein on the EF System.

[XX] (BY ELECTRONIC MAIL THROUGH CASE ANYWHERE): On interested parties set forth on the attached service list.

[XX] (STATE): I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on November 9, 2026, at West Hollywood, California.



Taylor Gregg