James R. Hawkins (SBN 192925)
Christina M. Lucio (SBN 253677)
Nicholas W. Schieffelin (SBN 302329)
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676
James@Jameshawkinsaplc.com
Christina@Jameshawkinsaplc.com
Nick@Jameshawkinsaplc.com

Attorneys for Plaintiff RIGOBERTO DURAN RAMIREZ on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE

RIGOBERTO DURAN RAMIREZ, individually and on behalf of himself and all other similarly situated,

Plaintiff,

v.

FYDAQ COMPANY, INC., a California corporation, and DOES 1-50, inclusive,

Defendants.

Case No. 30-2023-01355489-CU-OE-CXC

Assigned for All Purposes to:
Hon. Melissa R. McCormick
Dept.: CX104

DECLARATION OF JAMES R. HAWKINS IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT AGREEMENT, APPROVAL OF NOTICE TO CLASS MEMBERS, APPROVAL OF SETTLEMENT ADMINISTRATOR, AND SETTING HEARING FOR FINAL APPROVAL OF SETTLEMENT

Date: February 11, 2027
Time: 2:00 p.m.

Complaint Filed: October 12, 2023
Trial Date: None

I, James R. Hawkins, declare as follows:

1. I am an individual over the age of 18. I am the founding partner at the Law Firm of James Hawkins, APLC. We are the attorneys of record for Plaintiff Rigoberto Duran Ramirez ("Plaintiff" or "Class Representative"), who filed this class and PAGA action on behalf of himself and the proposed Settlement Class and PAGA Members in the above-captioned matter against Defendant FYDAQ Company, Inc. ("Defendant" or "FYDAQ") (collectively with Plaintiff, the "Parties"). I have personal knowledge of the facts set forth below, and if called to testify regarding them, I could and would do so competently

2. I submit this declaration in support of Plaintiff's unopposed motion for preliminary approval of the proposed class action settlement with FYDAQ, which motion seeks entry of an order: (1) preliminarily approving the proposed settlement of this class action with Defendant and approving the PAGA settlement; (2) for settlement purposes only, conditionally certifying the Class, which is comprised of all current and former non-exempt employees of FYDAQ in the State of California who worked at any time from October 12, 2019 through June 30, 2025; (3) provisionally appointing Plaintiff as the Class Representative for this Class; (4) provisionally appointing James Hawkins APLC as Class Counsel; (5) approving the form and method for providing class-wide notice; (6) directing that notice of the proposed settlement be given to the class; (7) appointing ILYM Group, Inc. as the Administrator, and (8) scheduling a final approval hearing date, to consider Plaintiff's motion for final approval of the settlement and for approval of attorneys' fees and expenses.

Guidelines for Approval of Class Action Settlements and PAGA Settlements

3. **Litigation Summary:** On October 12, 2023, Plaintiff filed a Class Action Complaint in Orange County Superior Court (Case No. 30-2023-01355489-CU-OE-CXC) against Defendant FYDAQ Company, Inc., a California corporation, alleging the following causes of action on behalf of himself and all similarly situated non-exempt employees: (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to authorize and permit rest periods; (4) failure to timely pay wages during employment; (5) failure to timely pay wages owed upon separation from employment; (6) failure to reimburse necessary business expenses; (7) knowing and intentional failure to comply with itemized wage statement provisions; and (8) violation of the Unfair Competition Law, Business and Professions Code section 17200.

4. On December 19, 2023, Plaintiff filed a separate PAGA action in Orange County Superior Court (Case No. 30-2023-01368313-CU-OE-CXC) (the "Ramirez PAGA Action") pursuant to Labor Code section 2698 et seq. Prior to filing, Plaintiff provided timely written notice to Defendant and the Labor and Workforce Development Agency ("LWDA") of the alleged violations as required by Labor Code section 2699.3. The Court has not granted class certification.

5. The Parties have agreed to consolidate the two actions for settlement approval purposes, with the Ramirez Class Action serving as the operative action. Plaintiff will dismiss the Ramirez PAGA Action without prejudice within 10 days after the Court accepts the First Amended Complaint consolidating the claims from both actions. The First Amended Complaint adds a standalone cause of action for failure to provide lawful meal periods, which was separately alleged in the PAGA Notice and PAGA complaint

6. **Copy of Settlement Agreement:** Attached hereto as **Exhibit 1** is a copy of the fully executed Class Action and PAGA Settlement Agreement ("Agreement"), signed by all Parties. This Declaration incorporates by reference the definitions in the Agreement, and all terms defined therein shall have the same meaning as set forth in the Agreement.

7. **Copy of Class Notice:** Attached hereto as **Exhibit 2** is a copy of the proposed Class Notice.

8. **Total Settlement Amount**: The Gross Settlement Amount is $368,399.35 to be paid by Defendant. There is no non-cash consideration.

9. **Non-Reversionary Settlement**: The Gross Settlement Amount of $368,399.35 is non-reversionary. It is a fixed common-fund amount. Under no circumstances will any portion of the Gross Settlement Amount revert to Defendant. (Agreement, ¶ 3.1.)

10. **Financial Terms**: The key financial terms of the Settlement and proposed deductions from the Gross Settlement Amount are as follows:

$368,399.35 (Gross Settlement Amount)

- **$2,500.00** (Class Representative Service Payment)
- **$15,000.00** (Class Counsel Litigation Expenses)
- **$112,799.78** (Class Counsel Fees (not to exceed one-third (33.33%))
- **$14,773.91** (LWDA PAGA Payment)
- **$6,950.00** (Settlement Administration Expenses (not to exceed)

= $216,375.66 (Net Settlement Amount)

The Net Settlement Amount will be distributed pro rata to Participating Class Members by Workweeks, inclusive of Individual PAGA Payments of $4,925.98 (25% of Net PAGA Payment) to PAGA Members.

11. **Taxes:** In this employment wage-and-hour case, 10% of each Participating Class Member's Individual Class Payment is allocated to settlement of wage claims (the "Wage Portion"), subject to tax withholding and reported on IRS Form W-2. The remaining 90% is allocated to claims for interest and penalties (the "Non-Wage Portion"), not subject to wage withholdings and reported on IRS Form 1099. Participating Class Members assume full responsibility for any employee taxes owed on their Individual Class Payment. Defendant will pay employer-side payroll taxes (e.g., FICA and FUTA) separately, outside and in addition to the Gross Settlement Amount, as these are Defendant's legal obligation and should not reduce the Class Members' recovery. (Agreement, ¶ 3.2.4.1.)

12. **Duties and obligations of class members and class counsel:** No affirmative duties are placed on Class Members to receive payment. Settlement Awards will be automatically mailed to all Participating Class Members who do not timely opt out; no claim form is required. Class Counsel is responsible for filing all papers required for final approval, including a motion for attorneys' fees and costs to be filed and served no later than 16 court days before the final approval hearing. (Agreement, ¶ 4.4.)

13. **Class definition and information:** For purposes of this Settlement, the "Class" or "Settlement Class" consists of all current and former non-exempt employees of FYDAQ Company, Inc. in the State of California who worked at any time during the Class Period, which is from October 12, 2019 through June 30, 2025. (Agreement, ¶ 1.5.) The PAGA Period is from October 12, 2022 through June 30, 2025. (Agreement, ¶ 1.29.) Each Participating Class Member will receive an Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total Class Workweeks of all Participating Class Members during the Class Period, and (b) multiplying that amount by each Participating Class Member's Class Workweeks. (Agreement, ¶ 3.2.4.) The Settlement Class consists of approximately 246 individuals who collectively worked

an estimated 16,337 Class Period Workweeks. The number of PAGA Pay Periods is 9,428 covering approximately 152 PAGA Members during the PAGA Period.

14. **Claims, investigation and settlement process summary**

a. ***Claims.*** The Class and PAGA claims encompass any legal theory under California law for: failure to pay all minimum and overtime wages (including for off-the-clock work); failure to provide lawful meal periods, failure to authorize and permit rest periods; failure to timely pay wages during and upon separation from employment; failure to reimburse necessary business expenses (including personal cell phone use for work); and failure to furnish accurate itemized wage statements, including claims arising under Labor Code sections 200, 201, 202, 203, 204, 210, 221, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1194, 1197, 1197.1, 1198, 1199, 2802, 2804, the applicable IWC Wage Orders, Business and Professions Code section 17200, and Labor Code section 2698 et seq. (PAGA), based on the factual allegations in the operative complaint and PAGA Notice to the LWDA.

b. ***Investigation.*** Class Counsel conducted a thorough investigation into the facts of this class action before filing and throughout the litigation. Class Counsel obtained, through informal discovery, representative payroll and timekeeping records produced by Defendant. Class Counsel retained Berger Consulting Group, a respected damages expert firm, to analyze the payroll data and quantify potential class-wide exposure for each claim. Class Counsel also reviewed Defendant's policies and practices pertaining to timekeeping, rest periods, expense reimbursement, and wage statements. The agreement to settle did not occur until Class Counsel possessed sufficient information to make an informed judgment regarding the likelihood of success on the merits and the results that could be obtained through further litigation.

c. ***Settlement process summary.*** The Parties attended an arm's-length, all-day mediation on December 16, 2024, before Kristin Rizzo, Esq., a respected and experienced mediator of wage-and-hour class actions. In preparation for the mediation, Defendant provided Class Counsel with representative payroll and timekeeping data for the Putative Class. Class Counsel analyzed the data with the assistance of Berger Consulting Group and submitted a detailed

mediation brief. The agreement to settle did not occur until Class Counsel possessed sufficient information to make an informed judgment regarding the likelihood of success on the merits. The Parties reached agreement at mediation, which was memorialized into the long-form Class Action and PAGA Settlement Agreement. Though cordial and professional, the settlement negotiations were adversarial and non-collusive. Plaintiff and Class Counsel believe this Settlement is fair, reasonable, and adequate.

15. **Release:** All Participating Class Members shall release Defendant and its present and former affiliates, officers, directors, members, managers, employees, clients, partners, shareholders, insurers (including their third-party administrators Davies North America and Premier Claims Management LLC), and successors or assigns from all claims, damages, and penalties alleged, or that reasonably could have been alleged, in the Actions, Operative Complaint, and/or ascertained in the course of the Actions, including claims for: (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to pay all hours worked; (4) failure to provide meal periods; (5) failure to permit rest periods; (6) failure to timely pay wages during employment; (7) failure to reimburse necessary business expenses; (8) failure to pay reporting time wages; (9) failure to provide accurate wage statements; (10) failure to pay sick pay; (11) failure to pay all wages upon separation; (12) unlawful and unfair business practices; (13) violation of IWC Wage Orders; (14) failure to keep requisite payroll records; and (15) related injunctive and declaratory relief and penalties, for the Class Period. (Agreement, ¶ 5.1.) The Released Parties definition is tethered to Defendant and its identified affiliates and does not extend to unrelated, unidentified, or ambiguous third parties. Consistent with applicable law and the requirements of this Court, the Class Release does not include a Civil Code section 1542 waiver by absent class members, and the release will not take effect until Defendant has fully funded the entire Gross Settlement Amount. (Agreement, ¶ 5.) Plaintiff separately provides a broader individual general release, including a Civil Code section 1542 waiver, in exchange for the Class Representative Service Payment. (Agreement, ¶¶ 5.3 and 5.3.1.) PAGA Members release PAGA civil penalty claims based on the facts alleged in the complaint and PAGA Notice for the PAGA Period; the PAGA Member release does not include

a section 1542 waiver. (Agreement, ¶ 5.2.)

16. **Consideration for release:** As consideration for this Settlement, the non-reversionary Gross Settlement Amount of $368,399.35 will be paid by Defendant. The Settlement will resolve all claims in the Actions and will be made in full and final settlement of the Released Class Claims and Released PAGA Claims. (Agreement, paragraph 3.1.)

Based on approximately 246 Class Members who collectively worked approximately 16,337 Workweeks, the Gross Settlement Amount provides the following per-class-member and per-workweek metrics:

- Average Gross Settlement Amount per Class Member: approximately $1,497.56
- Average Gross Settlement Amount per Workweek: approximately $22.55
- Average Net Settlement Amount per Class Member: approximately $100.00
- Average Net Settlement Amount per Workweek: approximately $1.35

These figures will be finalized upon receipt of the Class Data from Defendant following entry of the Preliminary Approval Order.

17. **Claim-By-Claim Analysis:** The following analysis provides Plaintiff's claim-by-claim assessment of maximum exposure, litigation risk, and risk-adjusted values, based upon the following estimated figures derived from FYDAQ's records: approximately 246 Class Members; 16,337 Class Period Workweeks; approximately 111,635 estimated shifts (5 per workweek); 131 separated employees in the waiting time date range; 152 employees and 9,428 pay periods in the wage statement and PAGA date ranges; and a weighted average regular rate of pay of $32.54 per hour. The maximum recovery figures assume that Plaintiff could prove violations occurred on nearly every shift, that violation rates remained constant throughout the class period, and that every claim were certified and prevailed at trial. Given the evidentiary obstacles and the formidable defenses Defendant raised on certification and the merits, these maximum figures were not realistic estimates of likely recovery after trial.

a. ***Unpaid Wages (Off-the-Clock).*** Plaintiff, an hourly non-exempt laborer working approximately five days per week and 40-plus hours per week at FYDAQ's construction

sites, alleged that FYDAQ required Class Members to perform uncompensated off-the-clock work including: pre-shift and post-shift site preparation and tool gathering; waiting in line to clock in; work-related communications outside scheduled hours; and work performed during meal and rest periods. Plaintiff also alleged that FYDAQ's timekeeping practices systematically rounded hours worked against employees' interests. Plaintiff calculated maximum potential unpaid wage damages of $2,724,261 (30 unpaid minutes per shift x 111,635 estimated shifts x $32.54/hr).

FYDAQ's defenses were substantial. All four versions of FYDAQ's employee handbook in effect during the Class Period (2019 through 2024) contained an express written policy requiring that "time cards shall not reflect an automatic listing of scheduled hours, but must reflect actual hours worked, regardless of whether or not actual hours are the same as scheduled hours", and further required that employees complete timecards daily, that no corrections be made without supervisor approval, and that supervisors review and countersign each timecard before submission to payroll. FYDAQ argued that its supervisor-verified timecard system applied uniformly across the Class, and Plaintiff's own produced timecards reflected granular daily entries for start time, lunch, stop time, regular and overtime hours, job number, work performed, and supervisor initials - all of which supported FYDAQ's argument that any unrecorded time reflected individualized deviations, not a uniform company policy.

The certification risk was further amplified by the nature of FYDAQ's workforce. As an underground utility and pipeline construction contractor deploying employees across different construction sites with varying job duties, crew compositions, foremen, and site conditions on each project, it would have been exceptionally difficult to establish any single uniform off-the-clock practice applicable to all Class Members, creating a serious risk that a court would find individual issues predominate. FYDAQ also argued that because all overtime required pre-approval by a supervisor and unauthorized overtime was subject to discipline up to termination, class-wide off-the-clock overtime liability could not be established. In light of these risks, Plaintiff applied a 10% multiplier to the maximum exposure of $2,724,261, yielding a risk-adjusted value of $272,426.10.

b. ***Overtime Underpayment (Regular Rate).*** Plaintiff alleged that FYDAQ

failed to incorporate all forms of non-discretionary compensation, including bonuses, differentials, and incentives, into the regular rate of pay for overtime purposes in violation of Labor Code section 510 and the applicable IWC Wage Orders. Plaintiff's analysis of the 1,961 pay periods in the payroll data identified 3,694 total overtime hours worked by 208 analyzed employees across the Class Period. However, the payroll data itself substantially undermined the maximum exposure figure: Plaintiff identified additional compensation (beyond base wages) in only 144 out of 1,961 pay periods (7.3% of all pay periods), affecting only 31 out of 208 analyzed employees (14.9%). Critically, the total additional compensation in those pay periods was reported as zero dollars across every year in the dataset, meaning the weighted average base rate ($32.54/hr) and the weighted average reported regular rate of pay ($32.59/hr) were nearly identical throughout the Class Period, with only a $0.05 differential. Plaintiff's calculation of the total estimated regular rate underpayment across all years - derived from that minimal differential applied to the 3,694 overtime hours - yielded only $1,838 in actual underpayment identified in the sampled data, which was then extrapolated to a class-wide maximum of $20,921.

The data thus presented a fundamental problem for this claim: the evidentiary record produced by FYDAQ showed almost no meaningful differential between the base rate and the regular rate across the vast majority of pay periods, suggesting that the additional compensation Plaintiff alleged was being improperly excluded from the overtime calculation was either not present, already properly incorporated, or too minimal in amount to sustain a class-wide theory of systematic underpayment. FYDAQ argued that its overtime pay practices were facially lawful, that the payroll data confirmed it paid overtime at the correct rate in the overwhelming majority of pay periods, and that the handful of pay periods showing any differential were insufficient to establish a class-wide unlawful practice. FYDAQ further argued that any regular rate miscalculations that did occur would require individualized inquiry into each employee's pay composition in each pay period, defeating class certification. In light of the objectively small maximum exposure figure, the weak evidentiary showing of any systematic regular rate error in the underlying data, and the meaningful risk that this claim could not be certified or sustained on the merits, Plaintiff applied a

15% multiplier to the maximum exposure of $26,323, yielding a risk-adjusted value of $3,948.

c. ***Rest Period Violations.*** Plaintiff alleged that FYDAQ systematically failed to authorize and permit lawful net ten-minute rest periods for every four hours worked or major fraction thereof, in violation of Labor Code section 226.7 and the applicable IWC Wage Orders. Both the class action complaint and the PAGA complaint alleged that scheduling practices, work demands, and managerial pressure consistently required Class Members to forego their rest periods - and that employees were required to work during purported rest periods without receiving the requisite one-hour premium at their regular rate of pay. Plaintiff calculated maximum potential rest period premium damages at $3,632,348 (111,635 estimated shifts x $32.54/hr x one premium per shift at a 100% violation rate). The volume of shifts across the 246-member Class over the five-year-plus Class Period produced an enormous raw premium figure even at a modest per-shift rate. The absence of any rest period premium payments in the payroll records confirmed that if a court were to find that FYDAQ had a uniform practice of failing to authorize and permit rest periods, the damages would flow directly from that finding without any offset.

Notwithstanding the admission, FYDAQ's defenses to this claim were substantial and presented serious risks to class certification. All four versions of FYDAQ's employee handbook in effect during the Class Period contained an express written Meal and Rest Periods policy providing that "the Company authorizes and permits non-exempt employees to take rest periods, which insofar as practicable shall be in the middle of each work period," at the rate of ten minutes net per four hours worked, with a detailed schedule reflecting up to six rest periods for shifts of 22 to 24 hours. FYDAQ argued from this policy that its rest period practices were facially valid, and that any missed rest periods were the result of individual employee choices on specific shifts rather than any uniform company-wide failure to authorize and permit breaks - an argument that, if accepted, would defeat predominance and typicality and prevent class certification. This defense was particularly forceful in the construction context: FYDAQ's crews worked across different job sites under the supervision of different foremen, meaning that rest period availability would vary materially by project, location, crew size, and daily work demands, making it exceptionally difficult

to establish through common proof that a single uniform practice of denying rest periods applied to all Class Members on all shifts. Compounding this, rest periods are not recorded on FYDAQ's daily timecards, meaning there was no documentary record from which Plaintiff could prove on a class-wide basis that any given rest period was missed, as opposed to taken. FYDAQ also argued that because its written policy was facially compliant, any failure to pay premiums was not knowing and willful, which would independently undermine the strength of the claim even if liability were established. In light of the facially lawful written rest period policy, the individualized nature of rest period practices across different construction sites and crews, the complete absence of any objective records documenting missed rest periods, and the serious risk that a court would find individual questions predominate over common ones, Plaintiff applied a 20% multiplier to the maximum exposure of $3,632,348, yielding a risk-adjusted value of $726,469.60.

d. ***Meal Period Violations***. Although the original class action complaint did not include a standalone meal period cause of action, Plaintiff's October 12, 2023 PAGA Notice to the LWDA specifically alleged that FYDAQ failed to provide PAGA Members timely and uninterrupted first meal periods of not less than 30 minutes within the first five hours of each shift, and that as a consequence of FYDAQ's policies, labor budgets, staffing requirements, and work demands, employees were required to forego meal periods, take shortened or interrupted meal periods, and commence their meal periods beyond the sixth hour of their shifts. The First Amended Complaint adds a standalone cause of action for failure to provide lawful meal periods, encompassing these allegations. Plaintiff alleged that FYDAQ's construction site work demands and crew-level scheduling decisions regularly interfered with employees' ability to take compliant 30-minute duty-free meal periods under Labor Code section 512 and the applicable IWC Wage Orders, and that on shifts exceeding ten hours, employees were denied required second meal periods. Using the same per-shift inputs as the rest period analysis, Plaintiff calculated maximum potential meal period premium damages of $3,632,348 (111,635 shifts x $32.54/hr x one premium per shift at a 100% violation rate). FYDAQ's defenses to this claim were substantial. All four versions of FYDAQ's employee handbook in effect during the Class Period contained an express

written meal period policy providing that employees are "provided an uninterrupted unpaid meal period of at least 30 minutes each day," that employees are "relieved of their work duties" and the Company "relinquishes control over the employees' activities" during the meal period, and that the Company "will permit employees a reasonable opportunity to take their meal and rest periods and will do nothing to impede or discourage employees from taking their meal and rest periods." Critically, unlike rest periods which are not recorded, FYDAQ's timecards required employees to record lunch start and finish times as a separate daily column entry, and FYDAQ produced an exemplar timecard explaining its meal and rest break policy, giving FYDAQ an objective basis to argue that the recorded lunch entries confirmed employees took their meal periods. FYDAQ further argued that on shifts exceeding ten hours, many employees executed valid second meal period waivers by mutual consent that would reduce or eliminate premium liability on those shifts, and that the handbooks' express escalation procedure established an affirmative mechanism for addressing any violations that did occur. The combination of the facially lawful written policy, the partially objective timecard documentation of meal period timing, the second meal period waiver defense, the escalation procedure, and the highly individualized nature of any meal period interference across different construction sites and crews under different foremen presented serious risks to class certification and merits recovery. Plaintiff applied a 5% multiplier, yielding a risk-adjusted value of $181,617.40.

e. ***Unreimbursed Business Expenses.*** Plaintiff alleged that FYDAQ failed to reimburse Class Members for necessary business expenses incurred in the direct consequence of their work duties, in violation of Labor Code section 2802. The primary theory was that employees were required to use their personal cell phones for work-related purposes, including receiving and responding to work communications while off the clock, but were never reimbursed for any portion of their monthly cell phone expenses. Using an assumed $10.00 per Workweek in unreimbursed cell phone expenses applied at a 100% violation rate across all 16,337 Class Period Workweeks, Plaintiff estimated total business expense damages of $223,270. FYDAQ's defenses to this claim were powerful on multiple levels. First, FYDAQ's employee handbooks throughout the Class

Period expressly provided that "certain employees may be issued tools, safety equipment, uniforms, portable computers, cellular phones, or other Company property which the Company considers essential for the satisfactory performance of the job," and further stated that the Company "reimburses employees for all reasonable expenses that they incur directly in performing their job duties with prior approval" upon submission of appropriate documentation. Second, given that FYDAQ is a construction and underground utilities company that issues tools and safety equipment to field employees, FYDAQ had a strong argument that company-issued equipment was available and that personal cell phone use was never required, only voluntary and convenient. Third, FYDAQ contended that even if some employees used personal cell phones for work purposes, determining whether such use was required or resulted in any incremental expense, rather than merely being incidental to a plan employees already maintained for personal reasons, would require individualized employee-by-employee inquiry, defeating class certification on this claim. In light of the written expense reimbursement and company property policies, the strong argument that personal cell phone use was voluntary rather than required for construction field employees, and the individualized nature of any actual unreimbursed expense, Plaintiff applied a 15% multiplier to the maximum exposure of $223,270, yielding a risk-adjusted value of $33,490.50.

f. ***Waiting Time Penalties.*** Labor Code section 203 provides for waiting time penalties of up to 30 days of wages for willful failure to timely pay all wages owed upon separation from employment. Waiting time penalties were calculated for the 131 terminated Class Members at 8 hours per day for 30 days at the $32.54 average rate of pay, yielding a maximum exposure of $1,022,986. This claim is entirely derivative of the unpaid wage, meal period, and rest period claims: it could only succeed if Plaintiff first established that FYDAQ failed to pay wages, meal premiums, or rest period premiums at termination. It therefore carried all of the same class certification and merits risks as those underlying claims. Beyond those predicate risks, the waiting time claim faced a significant independent defense under *Naranjo v. Spectrum Sec. Servs., Inc.* (2024) 15 Cal.5th 1056, 1065, which confirmed that an employer cannot incur waiting time penalties for the willful nonpayment of wages when the employer reasonably and in good faith

disputes that wages are due. FYDAQ consistently maintained throughout this litigation that its timekeeping, overtime, meal period, and rest period practices were facially lawful and that it owed no wages or premiums to Plaintiff or the Class - the precise good faith dispute recognized by Naranjo as negating willfulness. FYDAQ's production of its comprehensive written policies on timekeeping, rest periods, and meal periods supported the good faith defense. Additionally, Defendant denied that there were certifiable direct violations of Labor Code sections 201 and 202 independent of the derivative claims, further reducing the realistic value of this claim. Given the complete dependence on the predicate claims, the strength of the *Naranjo* good faith defense supported by Defendant's written policies, and the real risk that the realistic value of this claim was zero dollars, Plaintiff applied a 5% multiplier to the maximum exposure of $1,022,986, yielding a risk-adjusted value of $51,149.

g. ***Wage Statement Penalties.*** Labor Code section 226(e) provides for statutory penalties of $50 for an employee's first pay period with an inaccurate wage statement and $100 for each subsequent pay period, up to a maximum of $4,000 per employee, recoverable only where the employer's failure to provide an accurate itemized statement was "knowing and intentional." Wage statement penalties were calculated for 152 employees in the applicable one-year statute of limitations date range and 9,428 pay periods, yielding a maximum exposure of $608,000. FYDAQ produced exemplar wage statements and maintained that its wage statements fully complied with Labor Code section 226(a)'s itemization requirements, reflecting all hours worked, applicable hourly rates, and compensation paid. Like the waiting time claim, this claim is entirely derivative: the alleged inaccuracies in FYDAQ's wage statements arose solely from the alleged failure to include unpaid off-the-clock wages, overtime underpayments, and uncompensated meal and rest period premiums in the gross wages reported - which means that if Defendant's underlying pay practices were found lawful, the wage statement claim would fail entirely. This derivative nature carried all of the class certification and merits risks of the predicate claims. Beyond those predicate risks, the wage statement claim faced the independent requirement that Plaintiff establish both actual injury and knowing and intentional conduct. On actual injury,

FYDAQ argued that its wage statements accurately reflected the amounts actually paid to employees, and that any alleged inaccuracies caused no cognizable injury because employees could readily ascertain their compensation from the information provided. On the knowing and intentional standard, FYDAQ expressly invoked *Naranjo*, arguing that its good faith belief that its pay practices were lawful - supported by its comprehensive written policies - precluded a finding that any wage statement inaccuracies were knowing and intentional rather than the product of a reasonable, good faith dispute about whether wages were owed. Given the complete dependence on the predicate claims, the actual injury defense, the knowing and intentional standard, and the strength of the *Naranjo* good faith defense, Plaintiff applied a 5% multiplier to the maximum exposure of $608,000, yielding a risk-adjusted value of $30,400.

h. ***PAGA Penalties.*** Plaintiff contends that PAGA penalties are owed based on the numerous alleged Labor Code violations identified above. Once a PAGA violation is proven, a court must award civil penalties. See Cal. Lab. Code § 2699(f). However, courts have discretion to reduce the award of PAGA civil penalties if they find that "based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Cal. Lab. Code § 2699(e)(2).

FYDAQ argues that the PAGA claim is entirely derivative of the Labor Code violations that it contends it did not commit. FYDAQ further argues that individual PAGA violations would require individualized determinations for all employees, making representative treatment unmanageable. Additionally, because significant areas of the law at issue remain unsettled, there is a very real possibility that a court would substantially reduce PAGA penalties even if violations are proven.

Class Counsel calculated the estimated maximum value of PAGA penalties at approximately $942,800, based on approximately 9,428 PAGA Pay Periods and the penalties applicable to each alleged Labor Code violation under either California Labor Code § 558(a)(1) or the standard amount of $100 per pay period for violation of Labor Code § 1198 (9,428 x 100 = $942,800). This valuation assumed that PAGA civil penalties would be awarded at the maximum

rate per pay period but without stacking. The proposed PAGA allocation in the Settlement is $19,703.91. This allocation is justified by several important considerations. First, the PAGA claim is subject to the same risks as the underlying class claims discussed above. Second, Defendant asserts additional defenses to the PAGA claim, not only as to liability but also as to the amount of the penalties. Defendant could also argue that no penalties prior to the PAGA notification should be awarded, and Class Counsel is aware of at least one court which has so ruled. These additional defenses present a real risk that some or all of the PAGA penalties sought may not be awarded. The proposed PAGA allocation of $19,703.91 therefore represents a meaningful percentage of this realistic PAGA recovery and reflects a reasonable compromise of the claim. Third, the interests of PAGA are also served by the Class recovery under the reasoning of the LWDA in *O'Connor v. Uber*, 201 F. Supp. 3d 1110, 1133 (N.D. Cal. 2016), which recognized that the overall class settlement furthers PAGA's enforcement purposes and that payment of money to aggrieved employees advances PAGA's goals even where the designated PAGA allocation is modest relative to the theoretical maximum.

Labor Code section 2699(s)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to this part." Subject to Court approval, the Parties have agreed to allocate $19,703.91 in Net PAGA Penalties from the Gross Settlement Amount. Pursuant to Labor Code section 2699(m), 75% ($14,777.93) will be paid to the LWDA and 25% ($4,925.98) will be distributed to PAGA Members as Individual PAGA Payments. As set forth in the accompanying proof of service, the LWDA has been served with this motion and the Agreement. The civil penalties secured by this Settlement represent a fair compromise of Plaintiff's PAGA claim in view of the risks of continued litigation. The Settlement accomplishes PAGA's objectives by imposing sufficient civil penalties to punish and deter Defendant from committing the alleged Labor Code violations, while ensuring that penalties are not "unjust, arbitrary and oppressive, or confiscatory." Cal. Lab. Code, section 2699(e)(2).

i. ***Summary.*** The Gross Settlement Amount of $368,399.35 represents

approximately 27.8% of the total risk-adjusted discounted exposure of $1,320,705.26. Plaintiff respectfully submits that the Settlement represents an excellent result for the Class in light of the formidable defenses, the substantial risks on class certification for each individual claim, the Naranjo good faith defense applicable to all derivative penalty claims, and the inherent uncertainty of further litigation. An average Gross Settlement recovery of approximately $1,497.56 per Class Member constitutes meaningful monetary relief that compares favorably with recoveries approved in many other California wage-and-hour class action settlements.

18. **The Settlement is Fair, Adequate, and Reasonable:**

19. I fully support the Settlement on these terms, and respectfully submit that the Settlement is fair, reasonable, and adequate in light of all known facts.

20. Given the realistic value of Plaintiff's claims as set forth above, the $368,399.35 Gross Settlement Amount represents approximately 27.8% of the total risk-adjusted discounted exposure. Approximately 246 Class Members will be able to participate in the Settlement if they do not request exclusion. An average Gross Settlement recovery of approximately $1,497.56 per Class Member constitutes meaningful monetary relief that compares favorably with recoveries approved in many other California wage-and-hour class action settlements.

21. The Settlement will result in a fair payment to each Class Member based on the number of workweeks during the Class Period. Plaintiff and his counsel have diligently investigated the claims and defenses on behalf of the Class Members and worked to achieve a resolution of the claims to maximize the recovery by avoiding further expenditure of attorneys' fees and costs. After evaluating the significant risks attendant with further litigation described above and weighing them against the benefits of a known compromise and settlement as set forth in the Settlement Agreement, settlement on the terms agreed to is believed to be in the best interest of Plaintiff and the Class, and is a fair and reasonable resolution of the claims alleged.

22. Preliminary approval is appropriate since the Settlement will provide significant monetary relief to the Settlement Class.

23. **The Settlement Was the Product of Arm's-Length Negotiations:** The Settlement

was the product of extensive arm's-length negotiations between counsel, facilitated by Kristin Rizzo, Esq., an experienced wage-and-hour class action mediator, over the course of a full-day mediation on December 16, 2024. The Parties agreed to mediation and informal discovery in order to settle Plaintiff's claims and to avoid the uncertainty and expense of litigation. In advance of mediation, Defendant provided Class Counsel with representative payroll and timekeeping data and relevant policy documents. Class Counsel analyzed the data with Berger Consulting Group and prepared a detailed mediation brief. Though cordial and professional, the settlement negotiations were adversarial and non-collusive in nature. The Parties reached agreement at mediation, which was later incorporated into the long-form Settlement Agreement now presented to the Court. Although Plaintiff and Class Counsel believed there was a possibility of certifying the claims, they recognized the potential risks, expense, and complexity of continued litigation. If Defendant prevailed on any of its defenses, Settlement Class Members may not have received any substantial monetary recovery.

24. The Settlement will result in a fair payment to each Class Member based on the number of Workweeks worked during the Class Period. Plaintiff and Class Counsel diligently investigated the claims and defenses on behalf of the Class Members and worked to achieve a resolution that maximizes recovery by avoiding further expenditure of attorneys' fees and costs. After evaluating the significant litigation risks described above and weighing them against the benefits of a certain compromise, settlement on the agreed terms is believed to be in the best interest of Plaintiff and the Class, and is a fair and reasonable resolution of the claims alleged.

25. Plaintiff's counsel brought a great deal of collective experience to bear in negotiating the settlement of this case and investigating the claims and defenses. Plaintiff's counsel engaged in necessary formal and informal written discovery, investigation, expert analysis, significant document review (including Defendant's timekeeping and payroll policies, wage statements, and payroll records), and conducted an extensive analysis of the class-wide data provided by Defendant. Plaintiff's counsel also conducted extensive investigation and research into each of the claims asserted and the defenses raised by Defendant. This extensive preparation made it possible to

exercise informed judgment throughout the litigation and settlement process.

26. Based on our experience in other wage-and-hour cases, I believe we are qualified to evaluate the class claims and the viability of defenses in this class action. In this case, the recovery for each Class Member is reasonable, fair, and adequate, and settlement at this time on the terms in the Agreement is in the best interest of the Settlement Class. The Settlement provides each Class Member with compensation for the alleged violations when viewed in relation to the costs and risks inherent in obtaining class certification and proceeding to trial.

27. Plaintiff's counsel fully endorses the terms and conditions of the Settlement as set forth in the Settlement Agreement.

28. The Settlement Amount represents a compromise figure, taking into account the various risks surrounding class certification and the merits of Defendant's asserted defenses. Nevertheless, the Settlement provides for fair and adequate payments to Class Members, with no reversion to Defendant.

29. **Class Representative Service Payment:** Plaintiff Rigoberto Duran Ramirez seeks a Class Representative Service Payment of $2,500.00. I respectfully submit that this amount is fair and warranted based on the factors set forth in *Golba v. Dick's Sporting Goods, Inc.* (2015) 238 Cal.App.4th 1251, 1272, and *Clark v. American Residential Services, LLC* (2009) 175 Cal.App.4th 785, 804. Plaintiff's Service Payment is compensation for the time, burden, and responsibility he undertook on behalf of the Class and is not being provided as consideration for a general release of individual claims beyond the Class release. Plaintiff's broader individual general release is provided separately under Agreement paragraph 5.3 and does not serve as the basis for, or consideration for, the Service Payment. Plaintiff's separate declaration will provide a detailed account of: (a) the specific tasks Plaintiff performed; (b) his estimate of the hours spent participating in this litigation; (c) the financial and reputational risk assumed; and (d) a comparison of his Service Payment to the amounts absent class members will receive. The Class Representative Service Payment is in addition to any Individual Class Payment and Individual PAGA Payment Plaintiff is entitled to receive as a Class Member and Aggrieved Employee. Plaintiff agreed to come forward

in an effort to effectuate a policy and practice change benefitting all other Class Members, and to recover unpaid wages and penalties, with no guarantee of personal benefit.

30. Plaintiff provided invaluable assistance to the investigation and prosecution of this case, including: providing factual background for the Complaint; providing information and documentation about Defendant's policies and practices; assisting in preparation for mediation; and reviewing the settlement documents. Plaintiff agreed to participate in this case with no guarantee of personal benefit. Plaintiff's comprehensive declaration is filed herewith.

31. **The Requested Attorneys' Fees are Reasonable and Consistent with California Standards**: Under the terms of the Settlement, FYDAQ will not oppose Class Counsel's application for: (a) attorneys' fees not to exceed one-third (33.33%) of the Gross Settlement Amount ($112,799.78); (b) litigation costs not to exceed $15,000.00; (c) Settlement Administration Expenses not to exceed $6,950.00; and (d) a Class Representative Service Payment to Plaintiff not to exceed $2,500.00. (Agreement, ¶¶ 3.2.1 through 3.2.3.) The attorneys' fees and costs motion will be filed and served no later than 16 court days before the final approval hearing.

32. At the final approval hearing, Class Counsel will support the attorneys' fees request with evidence in the form of time records or a summary of time spent on substantive tasks, so as to enable the Court to evaluate the lodestar. Class Counsel states that time records were maintained contemporaneously throughout the litigation. Class Counsel further confirms that there is no fee-splitting arrangement with any other counsel in connection with this matter.

33. When this case was taken on a contingency fee basis, with our firm agreeing to assume responsibility for all litigation costs, the ultimate result was far from certain. In the course of this litigation, we paid all costs, including filing fees, court costs, research and database fees, mediation costs, and expert costs. There was never a guarantee that our firm would recoup these expenditures.

34. It is our experience that attorneys' fee awards of one-third (33.33%) of a common fund settlement are the standard in California for complex wage-and-hour class actions. Defendant does not oppose this fee request. The fee is within the range of reasonableness typically awarded

in class actions. Our litigation costs as Class Counsel will not exceed $15,000 and will be based on the actual amount incurred at the time of final approval. Nonrecoverable overhead items (postage, mailing, copying, and similar charges) will not be included in any costs request. An itemized list of costs incurred to date will be provided to the Court with the final approval papers.

35. For the foregoing reasons, it is respectfully requested that the Court grant preliminary approval of the Settlement as being fair, reasonable, and in the best interests of the Settlement Class, as well as preliminarily approve the requested attorneys' fees and costs, and the Service Payment to the Class Representative.

36. **Defendant's financial situation:** The Settlement is not predicated on a payment plan or on Defendant's financial situation.

37. **Disposition of unclaimed funds:** After 180 days from the date of mailing by the Settlement Administrator, funds from any Individual Class Payment or Individual PAGA Payment checks that are returned as undeliverable or remain uncashed will be transmitted to the California Controller's Unclaimed Property Fund in the name of each applicable Class Member, leaving no "unpaid residue" subject to Code of Civil Procedure section 384(b). (Agreement, ¶ 4.4.3.)

38. **Settlement administration:** The Parties have agreed to appoint ILYM Group, Inc. as the Settlement Administrator. (Agreement, ¶¶ 1.2 and 7.1.) ILYM Group, Inc. has been selected on the basis of its qualifications, experience administering class action settlements, and competitive bid. The Parties and their counsel represent that they have no financial interest or relationship with ILYM Group, Inc. other than a professional relationship arising out of prior experiences administering settlements; no conflict of interest exists. Submitted herewith is the Declaration of Anthony Rogers on behalf of ILYM Group, Inc., which includes: (a) the administration bid and not-to-exceed amount ($6,950.00); (b) ILYM Group's qualifications and experience; (c) evidence of procedures in place to protect the security of Class Data; and (d) confirmation of sufficient insurance coverage in the event of a data breach or mishandling of settlement funds. (Agreement, ¶ 7.1.)

39. **Concurrent pending cases:** After making reasonable inquiry, I am not aware of any

class action, representative action, or other collective proceeding pending in any court or tribunal that asserts claims similar to those alleged in this Action or that seeks to resolve, compromise, or release the same claims being settled. Plaintiff and Defense Counsel will each submit a declaration confirming the same on behalf of their respective clients. If any such actions are known to exist, the applicable declaration will state the case name, case number, procedural status, and describe the impact of this Settlement on that action.

40. **Class Notice and Notice Procedures:** The Parties have agreed that notice will be provided by first-class U.S. Mail to all Class Members identified in the Class Data provided by Defendant. Not later than 30 calendar days after entry of the Preliminary Approval Order, Defendant will deliver the Class Data to the Administrator. (Agreement, ¶ 4.2.) The Administrator will mail the Class Notice within 15 calendar days of receiving the Class Data. (Agreement, ¶ 7.4.2.) Before mailing, the Administrator will update all Class Member mailing addresses through the National Change of Address database. For any Class Notice returned as undeliverable without a forwarding address, the Administrator will conduct a skip trace and re-mail the notice within 3 business days. (Agreement, ¶ 7.4.3.) Class Members whose Notices are re-mailed will receive an automatic 14-calendar-day extension of the Response Deadline. (Agreement, ¶ 7.4.4.) The Administrator will also maintain a dedicated settlement website containing the Class Notice, Settlement Agreement, key case documents (including the operative complaint, proposed preliminary and final approval orders, and judgment), and a toll-free telephone number and email address for Class Member inquiries. The judgment will be posted on the settlement website for at least 180 days following entry. (Agreement, ¶ 7.8.1.)

41. The Class Notice will include the following deadlines, measured from the date of mailing (with a 14-day extension for re-mailed Notices):

a. **Response Deadline:** 45 days after mailing. Class Members wishing to opt out, object, or challenge their Workweek or PAGA Pay Period calculations must do so by this deadline.

b. **No Claim Form Required:** All Participating Class Members will automatically

receive payment without submitting a claim.

c. **Check-Cashing Period:** 180 days from the date of mailing, consistent with this Court's preference. (Agreement, paragraph 4.4.1.)

42. **Text of Class Notice:** The Parties have agreed on the text of the Class Notice, which is attached as Exhibit 2 and has been submitted to the Court as part of the preliminary approval package. The Class Notice will be provided in the form agreed upon by the Parties, without material variation, subject to Court approval. The Class Notice will not include language requiring Class Members to file written objections with the Court; objections are to be submitted to the Administrator only (not filed with the Court or served on counsel). (Agreement, ¶ 7.7.2.) The Class Notice will also state that a Class Member may appear at the Final Approval Hearing (either in person or through a lawyer retained at their own expense) and present an oral objection, whether or not the Class Member has submitted a prior written objection. The first page of the Class Notice will prominently display each Class Member's estimated Individual Class Payment and Individual PAGA Payment, along with the number of Workweeks and PAGA Pay Periods used to calculate those amounts. (Agreement, ¶ 7.4.2.)

43. **Language of Class Notice:** The Class Notice will be provided in both English and Spanish in light of the composition of Defendant's non-exempt California workforce. (Agreement, ¶ 1.10.)

44. **Content of Class Notice:** The Class Notice will comply with California Rule of Court 3.766(d) and will inform Class Members of: (a) the nature of the action and the Settlement Class definition; (b) the identity of Class Counsel and how to contact them; (c) the key financial terms of the Settlement, including the Gross Settlement Amount, each estimated deduction stated as a not-to-exceed amount, and the formula for calculating Individual Class Payments and Individual PAGA Payments; (d) the scope of the release, its effective date (upon Defendant's full funding of the Gross Settlement Amount), and a clear statement that absent class members do not provide a Civil Code section 1542 waiver; (e) each Class Member's right to opt out and the procedure and deadline for doing so; (f) each Class Member's right to object and the procedure and

deadline; (g) that Class Members who do not opt out will be bound by the Settlement and release; (h) the proposed amounts of attorneys' fees, costs, and the Service Payment, stated as not-to-exceed amounts; (i) the date, time, and location of the final approval hearing; (j) the tax treatment of payments; (k) the check void date (180 days after mailing); and (l) the URL of the settlement website.

45. **Exclusions and Objections and Forms:** The Class Notice is accompanied by three separate, clean one-page forms: (1) an Exclusion Request Form; (2) an Objection Form; and (3) a Workweek and PAGA Pay Period Dispute Form. All three forms use the same submission method (fax, email, or mail to the Administrator) and the same Response Deadline, consistent with this Court's preferences. No court or department information appears on any of the forms. The Objection Form does not require Class Members to list witnesses or submit exhibits as a precondition to appearing at the Final Approval Hearing. Written objections must be submitted to the Administrator (not filed with the Court and not served on counsel directly). Class Counsel will compile all written objections and file them as a single packet with the Court. Class Members may also appear at the Final Approval Hearing to present an oral objection regardless of whether they submitted a prior written objection. (Agreement, ¶ 7.7.2.) Class Members who challenge their Workweek or PAGA Pay Period allocation may submit supporting documentation to the Administrator by the Response Deadline. (Agreement, ¶ 7.6.) The Administrator's determination of all workweek disputes is subject to review by the Court.

46. **Opt-Out Procedure:** To request exclusion from the Settlement, a Class Member must send a signed written exclusion request to the Administrator (not the Court, and not counsel) by the Response Deadline. A valid Request for Exclusion need only reasonably communicate the Class Member's desire to be excluded and include the Class Member's name, address, and email address or telephone number. The Administrator will not reject a Request for Exclusion that is technically deficient if the Class Member's identity and intent can be reasonably ascertained. (Agreement, ¶ 7.5.2.) Non-Participating Class Members (opt-outs) will not receive an Individual Class Payment; however, Non-Participating Class Members who qualify as PAGA Members will

still receive an Individual PAGA Payment. (Agreement, ¶ 7.5.4.)

47. **Plaintiff's Counsel's Experience**: I am an attorney at law licensed to practice before the Courts of the State of California and before this Court.

48. In 1993, I graduated from the University of California, Los Angeles with a Bachelor of Arts Degree. Following graduation, I attended Whittier Law School. In 1996, while a full-time law student, I was also a full-time Judicial Extern for the Honorable Consuelo B. Marshall, United States District Court, Central District. After approximately five months of service for Judge Marshall, I became a full-time extern for the United States Attorney's Office, Central District of California. My externship lasted for approximately five months. Thereafter, in 1997, I graduated from Whittier Law School. The same year, I was admitted to practice law in the State of California.

49. From 1997-2007, I was a named partner at Hawkins & Sofonio, a law firm based out of Irvine, California. At Hawkins & Sofonio, I pioneered the employment department litigating plaintiffs' related employment issues such as: Wrongful Termination, Age Discrimination, Disability, Wage and Hour and Sexual Harassment claims. Through the success and experience I obtained litigating employment related matters, I commenced the Wage and Hour division of our employment department in 2002. Since then, I have spent the vast majority of my practice litigating wage and hour class actions.

50. In 2007, I incorporated my wage and hour class action practice as James Hawkins APLC. Since its inception, this law firm has been exclusively involved in class action and complex litigation. In 2009, I opened an additional office in Miami, Florida, prosecuting wage and hour class actions. I have been lead or co-lead counsel in all of the cases listed below.

51. I have a great deal of experience in wage and hour class action litigation. I have been certified and approved as class counsel in many other wage/hour class actions, and I am currently litigating numerous others before this Court and others. Although not an all-inclusive list, over the years I have prosecuted the following class action matters as lead and/or co-lead counsel, all of which implicated similar law and facts to those associated with this Action:

- *Mojica v. Compass Group, Inc., et. al.* USDC Central District, Case No. 8:13-cv-01754.
- *Dao v. 3M Company, et al.* USDC, CENTRAL DISTRICT, Case No. CV-08-04554.
- *Ortiz v. Kmart*, USDC, CENTRAL DIST. T, Case No. SACV 06-638 ODW.
- *Morgan v. Aramark Campus, LLC,* USDC, CENTRAL DISTRICT, Case No. SACV08-00412.
- *West v Iron Mountain Information Management, Inc, et. al.;* Los Angeles County Superior Court, Case No. BC393709.
- *Gonzalez v. Superior Industries International, Inc.*, et al., Los Angeles County Superior Court, Case No. BC 357912.
- *Acosta v. Fleetwood Travel Trailers of California, Inc.*, et al., Riverside County Superior Court, Case No. RIC 440630.
- *Walker v. Sharkeez*, et al., Orange County Superior Court, Case No. 05CC00293.
- *Padron v. Universal Protection Service, et al*, Orange County Superior Court, Case No. 05CC00013.
- *Martinez v. Securitas Security Services USA, et al.*, Santa Clara Superior Court, Case No. 105-CV047499, et al. J.C.C.P. No. 4460.
- *Velasquez-Lopez v. Hotel Cleaning Services, Inc. et al.*, Riverside Superior Court, Case No. RIC 420909.
- *Ruiz, et al. v. Unisourse Worldwide, Inc., et al.,* USDC, CENTRAL DISTRICT, Case No. CV09-05848.
- *Herrador v. Culligan International Company, et al.*, USDC, CENTRAL DISTRICT, Case No. SACV 08-680.
- *Defries v. Domain Restaurants, et al.*, Orange County Superior Court, Case No. 05CC00128.
- *Denton v. BLB Enterprises, Inc., et al.*, Orange County Superior Court, Case No. 07CC01292.

- *Rios v. Sandberg Furniture Manufacturing Co., Inc, et al.*, Los Angeles Superior Court, Case No. BC411477.
- *McMurray v. Dave and Busters, Inc., et al.*, Orange County Superior Court, Case No. 06CC00099.
- *Osuna v. DFG Restaurants, Inc., et al.*, Los Angeles Superior Court, Case No. BC 330145.
- *Burns v. Gymboree Operations, Inc.*, et al., San Francisco Superior Court, Case No. CGC-07-461612.
- *Willems v. Diedrich Coffee, Inc., et al.*, Orange County Superior Court, Case No. 07CC00015.
- *Davila, et al. v. Beckman Coulter, Inc., et al.*, Orange County Superior Court, Case No. 07CC01347.
- *Perez v. Naked Juice Company of Glendora, Inc.*, Los Angeles Superior Court, Case No. BC387088.
- *Coordination Proceeding Special Title [Rule 1550(b)] Wackenhut Wage and Hour Cases*, Los Angeles Superior Court, Case No. JCCP 4545.
- *Placencia v. Amcor Packaging Distribution, Inc.*, Orange County Superior Court, Case No. 30-2013-00694012-CU-OE-CXC.
- *Trani v. Lisi Aerospace, et al.*, Los Angeles Superior Court, Case No. BC495527.
- *Galvan v. Goodwin Co.*, Orange County Superior Court, Case No. 30-2013-00637062-CU-OE-CXC.
- *Reyes v. Bristol Fiberlite*, Orange County Superior Court, Case No. 30-2013-00653425-CU-OE-CXC.
- *Gutierrez v. HMT Tank*, USDC Central Dist., Case No. CV14-1967-CAS(MANx).
- *Williams v. Il Fornaio America Corp.*, Sacramento County, Case No. 34-2011-0009616.
- *Aguilar v. 7-Eleven, Inc.*, Orange County, Case No. 30-2009-002687141-CU-OE-CXC.

- *Madrigal v. Huntington Beach Market Broiler, Inc.*, Orange County, Case No. 30-2012-00611260.
- *Vang v. Jazz Semiconductor, Inc.*, Orange County, Case no. 30-2011-00460278.
- *Cano v. Financial Statement Services, Inc.*, Orange County, Case No. 30-2013-00653349-CU-OE-CXC.
- *Gonzalez v. Quality Aluminum Force, LLC*, Orange County, Case No. 30-2015-00817941-CU-OE-CXC.
- *Smith v. Space Exploration Technologies Corp.*, Los Angeles County Case No. BC554258.
- *Madrigal v. Balda C Brewer, Inc.*, Orange County Case No. 30-2015-00820218-CU-OE-CXC.
- *Mendez v. Liberty Glass Fabricators, Inc.*, Riverside County Case No. RIC 1800119.
- *Attia v. Neiman Marcus Group, Inc.*, United States District Court for the Central District of California Case No. 8:16-cv-001504-DOC-FFM.
- *Vigueras v. Red Robin*, United States District Court for the Central District of California Case No. 8:17-cv-1422-JVS-DFM.
- *Payne v. Marriott Ownership Resorts, Inc.*, San Diego County Case No. 37-2018-00015175-CU-OE-CTL.I

52. In sum, my firm has been lead or co-lead counsel in hundreds of cases since its inception. We have recovered hundreds of millions of dollars for employees in the State of California and millions for the State as well through PAGA.

53. Our firm has served as class counsel in a number of significant wage and hour settlements. Of particular note, in 2019, our firm was co-lead counsel in securing the largest wage and hour class action settlement in California history at $130,000,000.00. During this case, Plaintiffs appealed a decertification order. This case involved several appeals. The appellate record amassed an extensive appellate record comprising a 23-volume joint appendix, a three-volume

reporters' transcript, five briefs, four letter briefs, two motions for judicial notice, a motion to augment the record, and several additional letters informing the appellate court of new legal authority issued after *Dukes*. The matter was argued to and submitted by the Court of Appeal on September 15, 2016, and on November 21, 2016, the decertification order was reversed and the case was remanded for further proceedings. (*Lubin v. The Wackenhut Corporation* ("*Lubin*"), 5 Cal. App. 5th 960 (2016)). Wackenhut filed a petition for review of the Court of Appeal decision to the California Supreme Court. The Supreme Court denied Wackenhut's petition for review of *Lubin*. The Court of Appeal issued remittitur on April 10, 2017. Eventually through additional litigation, the parties were able to secure the $130 million settlement that was approved on October 21, 2019 by Judge Highberger in the Los Angeles Superior Court.

54. Additionally, in early 2020, our firm served as lead counsel in a class action jury trial in the Central District of California involving the class and PAGA representative claims of over 23,000 employees which successfully resolved in the midst of trial for $8,500,000.00

55. Our firm has settled many high-stakes class and representative actions. Hawkins' settlements have directly compensated hundreds of thousands of California workers and consumers. Hawkins' actions have also forced employers to modify their policies for the benefit of employees including changing the compensation structure for certain employees and changing practices to ensure that workers will be able to take timely rest and meal breaks. A leader in prosecuting class and PAGA enforcement actions, Hawkins has secured millions of dollars for workers and in civil penalties for the State of California

56. Based on our experience, demonstrated competence, resources to prosecute the claims at issue and reputation among our colleagues in the both the defense and Plaintiffs' bar, I respectfully submit our firm's experience in the field of wage and hour cases provides us the ability to prosecute claims swiftly and often times without the need for protracted litigation. Although, as demonstrated in the *Wackenhut* cases, we do not give up fighting for class members when challenged and necessary.

57. As is the case with many wage and hour cases, conditional class certification is

vastly superior to the litigation of numerous individual claims because most of the claims are too small to litigate outside of the class context. As such, the superiority requirement is met for purposes of conditional certification.

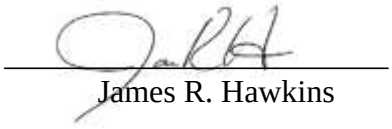
58. I am informed and believe, that after making a reasonable inquiry, I am unaware of any class action, representative action, or other collective proceeding pending in any court or tribunal that asserts claims similar to those alleged in this Action or that seeks to resolve, compromise, or release the same claims that are being settled through this proposed Settlement.

59. Further, based on our experience, we consider ourselves experienced and qualified to evaluate the claims and viability of the defenses. Based on the history of this case and given our firm's extensive experience as class and representative action employment and wage and hour litigators, it is our view that the Settlement is fair, reasonable, and adequate, and in the best interest of the Class.

60. **Notice to LWDA**: Pursuant to Labor Code section 2699, subdivision (l)(2), Class Counsel is submitting this motion for preliminary approval and the Agreement to the LWDA contemporaneously with the filing of this motion.

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

Executed on October 7, 2026 in Irvine, California.



James R. Hawkins

EXHIBIT 1

Vinesign Document ID: 7B189F82-34F4-49A7-B19E-D7BD13E4D670

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between Plaintiff **Rigoberto Duran Ramirez** ("Plaintiff") and Defendant **FYDAQ Company, Inc.** ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as "Parties," or individually as "Party."

1. DEFINITIONS

1.1. "**Actions**" mean the Plaintiff's lawsuit alleging wage and hour violations against Defendant captioned *Rigoberto Duran Ramirez v. FYDAQ Company, Inc.*, Orange County Superior Court Case No. 30-2023-01355489-CU-OE-CXC (the "*Ramirez* Class Action") and *Rigoberto Duran Ramirez v. FYDAQ Company, Inc.*, Orange County Superior Court Case No. 30-2023-01368313-CU-OE-CXC (the "*Ramirez* PAGA Action").

1.2. "**Administrator**" means ILYM Group, Inc., 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, costs, 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. "**PAGA Members**" means all current and former non-exempt employees of Defendant in the State of California who worked at any time during the PAGA Period.

1.5. "**Class Members**" means all current and former non-exempt employees of Defendant in the State of California who worked at any time during the Class Period.

1.6. "**Class Counsel**" means James R. Hawkins, Christina M. Lucio, and Mitchell J. Murray of James Hawkins APLC.

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 Actions and in which the Court approved.

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.

1.9. "**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

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

Address database, skip traces, and direct contact by the Administrator with Class Members.

1.10. "**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 and Spanish, in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.11. "**Class Period**" means the period from October 12, 2019 through June 30, 2025.

1.12. "**Class Representative**" means the named Plaintiff in the Actions seeking Court approval to serve as Class Representative.

1.13. "**Class Representative Service Payment**" means the payment to the Class Representative for initiating the Actions and providing services in support of the Actions.

1.14. "**Court**" means the Superior Court of California, County of Orange.

1.15. "**Defendant**" means named Defendant FYDAQ Company, Inc.

1.16. "**Defense Counsel**" means Jennifer Lutz and Celeste Leung of Pettit Kohn Ingrassia Lutz & Dolin PC.

1.17. "**Effective Date**" means the date when all of the following events have occurred: (i) final approval of the settlement is granted by the Court; (ii) the Court's Judgment approving the settlement becomes Final; and (iii) the Court has made the order for final approval available to Defendant. The Judgment is final as of the latest of the following occurrences: (i) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (ii) 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 (iii) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.18. "**Final Approval**" means the Court signing the order granting final approval of the Settlement.

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

1.20. "**Gross Settlement Amount**" means Three Hundred Sixty-Eight Thousand Three Hundred Ninety-Nine Dollars and Thirty-Five Cents ($368,399.35) which is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Net PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the Administration Expenses Payment.

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

1.22. "**Individual PAGA Payment**" means the PAGA Members' pro rata share of 25% of the Net PAGA Payment calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

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

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

1.26. "**Net Settlement Amount**" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Net 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.

1.27. "**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.

1.28. "**PAGA Pay Period**" means any Pay Period during which a PAGA Member worked for Defendant for at least one day during the PAGA Period.

1.29. "**PAGA Period**" means the period from October 12, 2022, through June 30, 2025.

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

1.31. "**PAGA Notice**" mean Plaintiff's October 12, 2023 letter to Defendant and the LWDA, providing notice pursuant to Labor Code section 2699.3, subd. (a).

1.32. "**Net PAGA Payment**" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the PAGA Employees ($4,925.98) and 75% to the LWDA ($14,777.93) in settlement of the PAGA claims.

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

1.34. "**Plaintiff**" means Rigoberto Duran Ramirez, the named Plaintiff in the Actions.

1.35. "**Preliminary Approval**" means the Court's signed Order Granting Preliminary Approval of the Settlement.

1.36. "**Released Class Claims**" means the claims being released as described in Paragraph 5.1 below.

1.37. "**Released PAGA Claims**" means the claims being released as described in Paragraph 5.2 below.

1.38. "**Released Parties**" means: Defendant and its former and present parents, surities, and bonding companies, subsidiaries, and each of its respective current, former, and future officers, directors, members, managers, employees, clients, partners, shareholders, insurers, insurer thirty-party administrators including Davies North America and its affiliates, surities, and related companies including Premier Claims Management LLC, any successors or assigns, Defendant's counsel, and actual and alleged joint employers.

1.39. "**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.

1.40. "**Class Response Deadline**" means 45 days after the Administrator mails Notice to Class Members, 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 their 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 expiration date.

1.41. "**Settlement**" means the disposition of the Actions effected by this Agreement and the Judgment.

1.42. "**Class 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. Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notices.

2.2. On October 12, 2023, Plaintiff commenced this putative class action by filing a complaint against Defendant in the Superior Court of California, County of Orange, asserting causes of action against Defendant for: (1) failure to pay minimum wages; (2) failure to pay overtime owed; (3) failure to authorize and permit rest periods; (4) failure to timely pay wages during employment; (5) failure to timely pay wages owed upon separation from employment; (6) failure to reimburse necessary expenses; (7) knowing and intentional failure to comply with itemized wage statements; and (8) violation of the unfair competition (hereinafter, "*Ramirez* Class Action Complaint"). Defendant denies the allegations in the *Ramirez* Class Action Complaint and *Ramirez* Class Action FAC.

2.3. On December 19, 2023, Plaintiff filed a separate, parallel action for civil penalties under PAGA in the Superior Court of California, County of Orange (hereinafter,

"*Ramirez* PAGA Action Complaint"). Defendant denies the allegations in the *Ramirez* PAGA Action Complaint.

2.4. Defendant denies all the material allegations in the Actions, that it violated any laws, that it is liable for damages, penalties, interest, restitution, attorneys' fees or costs, or for any other compensation or remedy with respect to anyone on account of the claims asserted in the Actions and that representative treatment is appropriate as to any claim in the Actions for purposes other than settlement. Defendant contends that it has complied with all applicable laws asserted in the Actions. Nonetheless, without admitting any liability or wrongdoing whatsoever and without admitting that representative treatment is appropriate for any purpose other than settlement purposes alone, Defendant has agreed to settle the Actions on the terms set forth in this Agreement, to avoid the burden, expense, and uncertainty of litigation. Any statements by Defendant in this Agreement are made for settlement purposes only and shall under no circumstances be construed as an admission of fault or liability by Defendant.

2.5. On December 16, 2024, Plaintiff and Defendant, by and through the Class Counsel and Defense Counsel respectively, participated in an all-day mediation presided over by Kristin Rizzo, Esq., which led to this Agreement to settle the Actions.

2.6. Prior to mediation, Plaintiff obtained, through informal discovery, time records, pay records, and other information relating to the size and scope of the Class, as well as data permitting Plaintiff to fully understand the nature and scope of the allegations. Plaintiff's 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*").

2.7. The Court has not granted class certification.

2.8. The Parties agree to consolidate the Actions into a single action. The Parties will seek approval of the Settlement in the Superior Court of the State of California, County of Orange. To effectuate this consolidation, the Parties agree to stipulate to the filing of a First Amended Complaint in the *Ramirez* Class Action, which consolidates the claims and allegations set forth in the Actions into a single operative complaint. Plaintiff agrees to provide Defendant a drafted copy of the proposed First Amended Complaint for review and agreement. The First Amended Complaint will be filed within 10 days of the Court approving the Stipulation to File a First Amended Complaint. In the event the Orange County Superior Court does not grant final approval of the Settlement and enter Judgment, the Parties agree that the *Ramirez* Class Action will remain the single operative Action. The Parties agree to work cooperatively to achieve these purposes.

2.9. Plaintiff will dismiss, without prejudice, the *Ramirez* PAGA Action within 10 days after the Court accepts the amended Complaint in the *Ramirez* Class Action.

2.10. The Parties, Class Counsel and Defense Counsel represent that, other than the Actions, 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 8 below, Defendant promises to pay Three Hundred Sixty-Eight Thousand Three Hundred Ninety-Nine Dollars and Thirty-Five Cents ($368,399.35) as the Gross Settlement Amount. Under no circumstances will Defendant's payment exceed the Gross Settlement Amount, except that Defendant will make additional payments to the Claims Administrator representing its share of any employer payroll taxes to be paid in connection with the Settlement (*e.g.*, FICA, FUTA, payroll taxes, or any similar tax or charge). 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 PAGA 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 Plaintiff: Class Representative Service Payment to the Class Representative of not more than Two Thousand Five Hundred Dollars and Zero Cents ($2,500.00) to Plaintiff, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as Participating Class Member. Defendant will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed the amount described above. If the Court approves the Class Representative Service Payment for less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. An award less than the requested amount for the Class Representative Service Payment will not give rise to a basis to abrograte the Agreement or permit Plaintiff to rescind the Agreement. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for any and all applicable taxes owed on the Class Representative Service Payment and shall hold harmless Released Parties from any claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Service Payment.

3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than one-third (33.33%), which is currently estimated to be One Hundred Twelve Thousand Seven Hundred Ninety-Nine Dollars and Seventy-Eight Cents

($112,799.78) and a Class Counsel Litigation Expenses Payment of not more than Fifteen Thousand Dollars and Zero Cents ($15,000.00). Defendant will not oppose requests for these payments provided that they do not exceed the amounts set forth in this Agreement. 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 of 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 Released Parties harmless, and indemnifies Released Parties, from any dispute or controversy regarding any division or sharing of any of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment.

3.2.3. To the Administrator: An Administration Expenses Payment not to exceed $6,950.00 except for a showing of good cause and as approved by the Court. To the extent the administration expenses are less than or the Court approves payment less than $6,950.00, 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 Class Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Class Workweeks.

3.2.4.1. Tax Allocation of Individual Class Payments: 10% 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 other 90% 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 applicable taxes owed on the Individual Class Payment and shall hold Released Parties harmless from any claim or liability for taxes, penalties, or interest arising as a result of the 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 PAGA Employees: The Net PAGA Payment in the amount of Nineteen Thousand Seven Hundred Three Dollars and Ninety-One Cents ($19,703.91) to be paid from the Gross Settlement Amount, with 75% ($14,777.93) allocated to the LWDA PAGA Payment and 25% ($4,925.98) 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 PAGA Employees' 25% share of PAGA Penalties ($4,925.98) by the total number of PAGA Pay Periods worked by all PAGA Employees during the PAGA Period and (b) multiplying the result by each PAGA Employee's PAGA Pay Periods. PAGA Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2. If the Court approves the Net PAGA Payment 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: Based on a review of its records, Defendant estimates Class Members collectively worked a total of 16,337 Class Workweeks during the time period from October 12, 2019 through June 30, 2025.

4.2. Class Data: Not later than 30 calendar days after the Court signs the order granting Preliminary Approval of the Settlement, Defendant will 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 by transmitting the funds to the Administrator no later than 30 calendar days after the Effective Date.

4.4. Payments from the Gross Settlement Amount: Within 14 calendar days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual 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 Payments 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 PAGA Members including Non-Participating Class Members who qualify as PAGA Members (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 5 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). Any fees or costs associated with depositing the uncashed checks with the California Controller's Unclaimed Property Fund shall be paid from the Gross Settlement Amount.

4.4.4. It is expressly understood and agreed that payment of such Individual Class Payments and Individual PAGA Payments will not entitle any Class Member or PAGA Member to additional compensation or additional benefits under any compensation or benefit plans to which any Class Member or PAGA Member may be eligible, including, but not limited to: bonus, contest or commissions plans, profit-sharing plans, bonus plans, 401(k) plans, stock purchase plans, deferred compensation plans, vacation plans, sick leave plans, PTO plans, and any other benefit plan.

4.5 Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendant's portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendant's portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

5. RELEASE OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount, the following releases of claims against all Released Parties will take effect:

5.1. Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, generally release and discharge Released Parties from any and all claims, damages, and penalties alleged, or that reasonably could have been alleged, in the Actions, Operative Complaint and/or ascertained in the course of the Actions, including without limitation, (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to pay all hours worked; (4) failure to provide meal periods; (5) failure to permit rest periods; (6) failure to timely pay wages during employment; (7) failure to reimburse necessary business expenses; (8) failure to pay reporting time wages; (9) failure to provide accurate wage statements; (10) failure to pay sick pay; (11) failure to pay all wages, including vested vacation, upon seperaration of employment; (12) unlawful and unfair business practices; (13) violation of California Industrial Commission Wage Orders; (14) failure to keep requisite payroll records, and (15) injunctive relief as it relates to the claims listed above, declaratory relief as it relates to the claims listed above, liquidated damages, penalties recoverable pursuant to the

claims listed above, interest, fees, costs, as well as all other claims and allegations alleged in the Actions against the Released Parties during the Class Period ("Released Class Claims"). Except as set forth in Section 5.2 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.

5.2. Release by PAGA Members: All PAGA Members and the LWDA release the Released Parties from all claims for PAGA penalties alleged, or that reasonably could have been alleged, in the Actions, Operative Complaint and the PAGA Notice and/or ascertained in the course of the Actions, including without limitation California Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218, 218.5, 218.6, 221-224, 226, 226.3, 226.7, 227.3, 245-249, 510, 512, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1197.5, 1198, 1199, 2000, 2802, 2698 *et seq*., California Industrial Commission Wage and Safety Orders, and all claims for alleged unpaid wages, overtime or double time wages, minimum wages, meal periods and meal period premiums, rest periods and rest period premiums, and vested vacation pay, untimely payment of wages during employment and at separation, wage statement penalties, unreimbursed business expenses, and failure to keep requisite payroll records ("Released PAGA Claims").

5.3. Plaintiff's General Release. Plaintiff's respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences, 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, PAGA Notice, or ascertained during the Actions; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with his employment with Defendant, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Plaintiff executes this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California

Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum, failure to pay overtime, failure to pay all hours worked, failure to provide meal periods, failure to permit rest periods, failure to timely pay wages during employment, failure to reimburse necessary business expenses, failure to pay reporting time wages, failure to provide accurate wage statements, failure to pay sick pay, failure to pay all wages, including vested vacation, upon seperaration of employment, violation of California Industrial Commission Wage Orders,failure to keep requisite payroll records and any remaining claim for violations of the California Labor Code, and California's Business and Professions Code § 17200 et seq., (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Plaintiff's General 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. Plaintiff acknowledges that he may discover facts or law different from, or in addition to, the facts or law that Plaintiff now know or believe to be true but agree, nonetheless, that Plaintiff's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

5.3.1 Plaintiff's Section 1542 Waiver. For purposes of Plaintiff's General Release, Plaintiff expressly waives 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.

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. Plaintiff's Responsibilities: Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, giving Defendant at least five business days to review, 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 Plaintiff, 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/or 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 (vi) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2. Responsibilities of 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; and obtaining a prompt hearing date for the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's signed order granting Preliminary Approval to the Administrator.

6.3. 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 ILYM Group, Inc. to serve as the Administrator and verified that, as a condition of appointment, ILYM Group, Inc. agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for the Administration Expenses Payment. The Parties and their Counsel represent that they have no interest or

relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

7.4. Notice to Class Members:

7.4.1. No later than 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, Class Workweeks, and PAGA Pay Periods in the Class Data.

7.4.2. Using best efforts to perform as soon as possible, and in no event later than 15 days after receiving the Class Data from Defendant, 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 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 Class 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 USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by USPS. If 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 USPS a second time.

7.4.4. The deadlines for Class Members' written objections, Challenges to Class Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 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, Defense Counsel 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, whichever 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 the Response Deadline. A Request for Exclusion is a letter from a Class Member or their 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 5.1 and 5.2 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 PAGA Members are deemed to release the claims identified in Paragraph 5.2 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Challenges to Calculation of Workweeks: Each Class Member shall have until the Response Deadline to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member and PAGA Member in the Class Notice. The Class Member and PAGA Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member and PAGA Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Class Workweeks and/or PAGA Pay Periods 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 Class Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide to Defense Counsel and Class Counsel copies of all challenges to calculation of Workweeks and/or Pay Periods and the Administrator's determination of 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.

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 the Response Deadline.

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

7.7.4. PAGA Members are not permitted to object to any of the PAGA 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. Email Address and Toll-Free Number: The Administrator will 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 Class Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must 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. 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.

7.8.5. 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 the mediation, Class Members collectively worked a total of 16,337 Class Workweeks for the time period from October 12, 2019 through June 30, 2025. In the event that the actual number of Class Workweeks worked by all Class Members during the Class Period increases by more than 10 percent (i.e., 17,972 or more Class Workweeks), then, Defendant may elect to (1) roll back the Class Period and the PAGA Period end date on the date that the total Class Workweeks equals 17,971, or (2) increase the Gross Settlement Amount by the percentage increase in the number of Class Workweeks worked by the Class Members reach 17,972 and above Class Workweeks (Defendant would pay an additional one percent for additional Class Workweeks that are one percent above 17,972 workweeks). Defendant shall make its election no later than 7 calendar days after receiving sufficient information from the Administrator that the number of Class Workweeks has exceeded 17,971. If Defendant fails to make its election, then option 1 shall be presumed chosen.

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 and/or if the combined Class Workweeks worked by Class Members who timely exclude themselves amounts to more than 5% of the total workweeks worked by all Class Members, Defendant may, but is not obligated to, 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 thirty (30) calendar days after the Administrator sends the final Exclusion List to Class Counsel and Defense Counsel.

10. **MOTION FOR FINAL APPROVAL**. Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff 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"). Plaintiff shall provide drafts of these documents to Defense Counsel no later than 7 business 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 than 5 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 Payments, 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.

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 appellate 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 Plaintiff that Defendant's defenses in the Actions 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 Plaintiff reserves 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 Actions 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: Class Counsel agrees to discuss the terms of this Settlement only in filings in the Actions as required to approve the Settlement and in discussions with Class Members or the Claims Administrator in the context of administering this Settlement, except that they may include the Actions in any future adequacy of counsel filings. Class Counsel will not discuss the Settlement with any third parties or otherwise publicize the Settlement in any manner except as provided in this paragraph. Class Counsel will not use any information about the identities, contact information, or other data provided about the Class Members in the Actions other than for purposes of the Actions. 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. No Publicity. Plaintiff and Class Counsel agree not to disclose or publicize the Settlement, including the Memorandum of Understanding, the fact of the

Settlement, its terms or contents, and the negotiations underlying the Settlement, in any manner or form, directly or indirectly, to any person or entity, except potential class members and as shall be contractually required to effectuate the terms of the Settlement as set forth herein. For the avoidance of doubt, this section means Plaintiff and Class Counsel will not issue press releases, communicate with, or respond to any media or publication entities, publish information in manner or form, whether printed or electronic, on any medium or otherwise communicate, whether by print, video, recording or any other medium, with any person or entity concerning the Settlement, including the fact of the Settlement, its terms or contents and the negotiations underlying the Settlement, except as shall be contractually required to effectuate the terms of the Settlement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the name of the Parties in this action and the venue/case number of this action (but not any other settlement details) for such purposes.

12.5. 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.

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

12.7. 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.

12.8. 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.

12.9. No Tax Advice: Neither Plaintiff, 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.

12.10. 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.

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

12.12. 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.

12.13. 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.

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

12.15. Use and Return of Class Data: Information provided to Class Counsel pursuant to Cal. Evid. Code section 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.

12.16. 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.

12.17. 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.

12.18. 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, to the other Party's respective counsel of record as follows:

To Plaintiff:

JAMES HAWKINS APLC
James R. Hawkins
Christina M. Lucio
9880 Research Drive
Irvine, California 92618
james@jameshawkinsaplc.com
christina@jameshawkinsaplc.com

To Defendant:

Pettit Kohn Ingrassia Lutz & Dolin PC
Attn: Jennifer N. Lutz and Celeste M. Leung
1622 El Camino Real, Suite 300
San Diego, California 92130
jlutz@pettitkohn.com
cleung@pettitkohn.com

12.19. Execution in Counterparts: This Agreement may be executed in one or more counterparts by facsimile or electronically (i.e. DocuSign) 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.

12.20. 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: _____

Rigoberto Duran Ramirez

Dated: 09/14/2026

FYDAQ Company, Inc.

Mike Craft

By:

Title:

Approved as to form:

Dated: _____

JAMES HAWKINS APLC

JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorneys for Plaintiffs
RIGOBERTO DURAN RAMIREZ

Approved as to form:

Dated: 9/14/26

PETTIT KOHN INGRASSIA LUTZ & DOLIN

Celeste Leung

Jennifer Lutz
Celeste Leung
Attorneys for Defendant
FYDAQ Company, Inc.

Docusign Envelope ID: 36BEEECB-1544-89E7-812B-ECCEC7BE6E88

Dated: 9/10/2026

Rigoberto Duran Ramirez

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Dated: _____

FYDAQ Company, Inc.

_____

By:

Title:

Approved as to form:

Dated: 9/10/2026

JAMES HAWKINS APLC

_____

JAMES R. HAWKINS
CHRISTINA M. LUCIO
Attorneys for Plaintiffs
RIGOBERTO DURAN RAMIREZ

Approved as to form:

Dated: _____

PETTIT KOHN INGRASSIA LUTZ & DOLIN

_____

Jennifer Lutz
Celeste Leung
Attorneys for Defendant
FYDAQ Company, Inc.

EXHIBIT 2

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

Rigoberto Duran Ramirez v. FYDAQ Company, Inc., Case No. 30-2023-01355489-CU-OE-CXC

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

A former employee, Rigoberto Duran Ramirez ("Plaintiff"), filed a class and representative action lawsuit ("Action") against FYDAQ Company, Inc. ("Defendant") alleging the following causes of action: (1) failure to pay minimum wages; (2) failure to pay overtime owed; (3) failure to authorize and permit rest periods; (4)failure to timely pay wages during employment; (5) failure to timely pay wages owed upon separation from employment; (6) failure to reimburse necessary expenses; (7) knowing and intentional failure to comply with itemized wage statements; (8)violation of the unfair competition; and (9) civil penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA").

Defendant expressly denies and disputes all claims and maintains it has fully complied with the law.

This notice is for (1) all persons who are or were employed by Defendant as hourly paid, non-exempt employees in the State of California during the Class Period (October 12, 2019 through June 30, 2025) ("Class Members"); and (2) all persons who are or were employed by Defendant as hourly paid, non-exempt employees who worked in the State of California during the PAGA Period (October 12, 2022 through June 30, 2025) ("PAGA Members").The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Settlement Payments based on the number of Workweeks worked during the Class Period; and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments to PAGA Employees based on the number of Pay Periods worked during the PAGA Period.

Based on Defendant's records, and the Parties' current assumptions, **your estimated payment is $_____.** The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimate is based on Defendant's records showing that **you worked _____ Workweeks during the Class Period and _____ Pay Periods during the PAGA Period.** If no amount is stated for your Pay Periods during the PAGA Period, then according to Defendant's records you are not eligible for an Individual PAGA Payment under the Settlement because you did not work during the PAGA Period. If you believe that you worked more Workweeks and/or Pay Periods than indicated, you can submit a challenge to the administrator by the deadline date. See Section IV of this Notice.

The Court has preliminarily approved the proposed Settlement and 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 Plaintiff and Plaintiff's 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 PAGA Members 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 claims against Defendant for the claims released in the Settlement.

(2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by submitting 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 claims against Defendant, and if you are an PAGA Member, remain eligible for an Individual PAGA Payment. PAGA Members cannot opt-out of the PAGA portion of this Settlement will receive Individual PAGA Payments based on the number of Pay Periods worked during the PAGA Period.

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 Individual PAGA Payment (if any). In exchange, you will give up your right to assert the claims against Defendants 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 _____.**	If you don't want to 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 VI** of this Notice. If you are also an PAGA Member, you cannot opt out of the PAGA portion of the Settlement. You will receive your Individual PAGA Payment and give up your right to assert any PAGA claims against Defendant that are covered by this Settlement.
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement. **Written Objections Must be Submitted by _____**	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement, including how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See **Section VII** of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods **Written Challenges Must be Submitted by _____**	The amount of your Individual Class Payment and Individual PAGA Payment, if any, depends on how many Workweeks you worked at least one day during the Class Period and how many Pay Periods your worked at least one day during the PAGA Period. The number of Class Period Workweeks and 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 _____. See **Section IV** of this Notice.

I. WHAT IS THE ACTION ABOUT?

Plaintiff is a former hourly paid, non-exempt employee who worked in Defendant's construction sites. He brought this action alleging that Defendant (1) failed to pay minimum wages; (2) failed to pay overtime owed; (3) failed to provide lawful meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay wages during employment; (6) failed to timely pay wages owed upon separation from employment; (7) failed to reimburse necessary expenses; (8) failed to comply with itemized wage statement provisions; and (9) failed to comply with itemized wage statement provisions. Plaintiff also seeks penalties for unfair competition and pursuant to the Private Attorneys General Act of 2004, Labor Code § 2698 *et seq* ("PAGA"). Plaintiff is represented by James R. Hawkins, Christina M. Lucio, and Nicholas W. Schieffelin of James Hawkins APLC ("Class Counsel").

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

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

The Court has made no determination whether Defendant or Plaintiff are correct on the merits. In the meantime, Plaintiff and Defendant hired a mediator, Kristin Rizzo, Esq. in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. On December 16, 2024, the parties participated in an all-day mediation with Ms. Rizzo, which led to this Agreement to settle the Action. By signing a written settlement agreement ("Settlement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Settlement, Plaintiff 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.

Plaintiff 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) the Settlement is in the best interests of the Class Members and PAGA Members. The Court preliminarily approved

the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

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

1. Defendant Will Pay $368,399.35 as the Gross Settlement Amount ("GSA"). Defendant has agreed to deposit the GSA 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 Payments, 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 GSA not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final 65 calendar days after 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 $112,799.78 (one-third (33.33%) of the GSA) to Class Counsel for attorneys' fees and up to $15,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to $2,500.00 to Plaintiff Rigoberto Duran Ramirez as Class Representative Service Payment for filing the Action, working with Class Counsel and representing the Class. Plaintiff will also receive his Individual Class and/or PAGA Payments.

C. Up to $6,950.00 to ILYM Group, Inc. as the Settlement Administrator.

D. $19,703.91 for settlement of claims for civil penalties under PAGA ("PAGA Fund"), 75% of which shall be paid to the LWDA, and 25% paid to the PAGA Members.

3. Net Settlement Amount and PAGA Fund Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the GSA (the "Net Settlement Amount" or "NSA") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks. The portion of the PAGA Fund allocated to the PAGA Members shall be paid based on their PAGA Period Pay Periods.

4. Taxes Owed on Payments to Class Members. For the Individual Class Payments, Plaintiff and Defendants are asking the Court to approve an allocation of 90% statutory penalties and interest, and 10% as wages for tax purposes. The Individual PAGA Payments shall be considered 100% statutory penalties for tax purposes. The Administrator will report Individual Class Payments on IRS 1099 and W-2 Forms, and the Individual PAGA Payments on IRS 1099 Forms.

Although Plaintiff 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 Fund, 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 _____, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion to the Administrator by the _____ Response Deadline. The Request for Exclusion must include the Class Member's name, present address, email address or telephone number, and a simple statement electing to be excluded from the Class Settlement. The Request for Exclusion must be signed by the Class Member. 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.

If you are an PAGA Member, you cannot opt-out of the PAGA portion of this Settlement. All PAGA Members will receive a portion of the PAGA Fund based on their PAGA Period Pay Periods even if they opt out of the Class Settlement.

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 to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff 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, ILYM Group, Inc. (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 regarding Workweeks and/or Pay Periods, 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 IX of this Notice.

9. Participating Class Members' Release and PAGA Members' Release. After the Judgment is final and Defendant has fully funded the Gross Settlement, 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, as alleged in the Action and resolved by this Settlement.

Upon Final Approval, 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, generally release and discharge Released Parties from any and all claims, damages, and penalties alleged or that reasonably could have been alleged, in the Actions, Operative Complaint and/or ascertained in the course of the Actions, including without limitation, (1) failure to pay minimum wages; (2) failure to pay overtime; (3) failure to pay all hours worked; (4) failure to provide meal periods; (5) failure to permit rest periods; (6) failure to timely pay wages during employment; (7) failure to reimburse necessary business expenses; (8) failure to pay reporting time wages; (9) failure to provide accurate wage statements; (10) failure to pay sick pay; (11) failure to pay all wages, including vested vacation, upon separation of employment; (12) unlawful and unfair business practices; (13) violation of California Industrial Commission Wage Orders; (14) failure to keep requisite payroll records, and (15) injunctive relief as it relates to the claims listed above, declaratory relief as it relates to the claims listed above, liquidated damages, penalties recoverable pursuant to the claims listed above, interest, fees, costs, as well as all other claims and allegations alleged in the Actions against the Released Parties during the Class Period ("Released Class Claims").
>
> Except as set forth in Section 5.2 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.

Upon Final Approval, all PAGA Members will be bound by the following release:

> All PAGA Members and the LWDA release the Released Parties from all claims for PAGA penalties alleged, or that reasonably could have been alleged, in the Actions, Operative Complaint and the PAGA Notice and/or ascertained in the course of the Actions, including without limitation California Labor Code sections 200, 201, 202, 203, 204, 210, 216, 218, 218.5, 218.6, 221-224, 226, 226.3, 226.7, 227.3, 245-249, 510, 512, 516, 558, 1174, 1174.5, 1175, 1182.12, 1194, 1194.2, 1195, 1197, 1197.1, 1197.5, 1198, 1199, 2000, 2802, 2698 et seq., California Industrial Commission Wage and Safety Orders, and all claims for alleged unpaid wages, overtime or double time wages, minimum wages, meal periods and meal period premiums, rest periods and rest period premiums, and vested vacation pay, untimely payment of wages during employment and at separation, wage statement penalties, unreimbursed business expenses, and failure to keep requisite payroll records ("Released PAGA Claims").
>
> PAGA Members cannot opt-out of the PAGA portion of this Settlement. An opt-out does not affect the release of PAGA Claims under this Settlement.

IV. 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 (the remaining Amount after deducting from the GSA the PAGA Fund, Attorneys' Fees and Costs, the Class Representative

Service Award, and the Administrator's Fees) by the total number of Class Period Workweeks worked by all Class Members and (b) multiplying the result by the number of Class Period Workweeks worked by each individual Class Member.

2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing the 25% portion of the PAGA Fund to be paid to PAGA Members by the total number of PAGA Period Pay Periods worked by all PAGA Members and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual PAGA Member.

3. Workweeks/Pay Period Challenges. The number of Workweeks you worked during the Class Period and 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 _____ 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 IX 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 Workweeks/Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members and PAGA Members) and Defendant's Counsel. While the Administrator makes the initial determination, the Court retains the authority to make the final determination on any dispute.

V. HOW WILL I GET PAID?

1. Participating Class Members and All PAGA Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member and PAGA Member (i.e., every Class Member who doesn't opt-out and all PAGA Members). The single check will combine the Individual Class Payment and/or the Individual PAGA Payment.

2. Non-Participating Class Members. Non-participating Class Members (i.e. Class Members who opt out of the settlement) will not be eligible for any payment under the Class Settlement. If a Non-Participating Class Member is also an PAGA Member, the Administrator will send, by U.S. mail, a single Individual PAGA Payment check.

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 IX of this Notice has the Administrator's contact information.

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

You will be treated as a Participating Class Member, participating fully in the Settlement, unless you notify the Administrator in writing, not later than _____, that you wish to opt-out. The easiest way to notify the Administrator is to send the Administrator, by fax, email, or mail, a signed written Request for Exclusion by the _____ Response Deadline. The Request for Exclusion must be a letter from a Class Member or their 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, and a simple statement that you do not want to participate in the Settlement. The Request for Exclusion must be signed by the Class Member.

The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as ***Rigoberto Duran Ramirez v. FYDAQ Company, Inc., Case No. 30-2023-01355489-CU-OE-CXC*****,** and include your identifying information (full name, address, email address or telephone number) for verification purposes.

You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by _____, or it will be invalid.** Section IX of the Notice has the Administrator's contact information. 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.

VII. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Class Settlement. A Participating Class Member who disagrees with any aspect of the Settlement Agreement, or feels that the proposed Class Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiffs are too high or too low may choose to submit a written objection to the Administrator. **The deadline for sending written objections to the Administrator is _____**. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Include any documents which you believe support your position. Make sure you identify the Action as ***Rigoberto Duran Ramirez v. FYDAQ Company, Inc.,*** **Case No. 30-2023-01355489-CU-OE-CXC,** and include your

full name, current address, email address or telephone number, and sign the objection. Section IX of this Notice has the Administrator's contact information.

Participating Class Members cannot object to the PAGA portion of the Settlement.

You may appear at the Final Approval Hearing (or personally retain a lawyer to appear at your own cost) and present an oral objection whether or not you submitted a prior written objection. You are not required to attend the hearing to have the Court consider your written objection. 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 VIII of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____, at _____ in Department CX105 of the Orange County Superior Court, located at the Civil Complex Center, 751 West Santa Ana Blvd., Santa Ana, California 92701. 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 comments from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually. Check the Court's website for the most current information.

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

IX. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff 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 ILYM Group, Inc.'s website at _____. 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 https://www.occourts.org and entering the Case Number for the Action, Case No. 30-2023-01355489-CU-OE-CXC. You can also make an appointment to personally review court documents in the Clerk's Office at the Orange County Superior Court by visiting https://www.occourts.org.

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

Class Counsel:

James R. Hawkins
Christina M. Lucio
JAMES HAWKINS APLC
9880 Research Drive, Suite 200
Irvine, California 92618
Telephone: (949) 387-7200
Facsimile: (949) 387-6676
james@jameshawkinsaplc.com
christina@jameshawkinsaplc.com

Settlement Administrator:

ILYM GROUP, INC.
Email Address: [TBD]
Mailing Address: [TBD]
Telephone: [TBD]
Fax Number: [TBD]

X. 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 California Controller's Office Unclaimed Property Fund for instructions on how to retrieve the funds.

XI. 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.

NOTICE EN ESPAÑOL

[Spanish translation of the notice to follow here]

Must Be Postmarked
No Later Than
[Response Deadline]

OBJECTION FORM

Ramirez v. FYDAQ Company, Inc.
Superior Court of California, County of Orange
Case No. 30-2023-01355489-CU-OE-CXC

COMPLETE AND RETURN THIS FORM ONLY IF YOU WANT TO OBJECT TO THE SETTLEMENT IN THIS CASE.

DO NOT RETURN THIS FORM IF YOU WANT TO REQUEST EXCLUSION FROM THE SETTLEMENT.

IF YOU DO NOT HAVE ANY OBJECTIONS TO THE SETTLEMENT, DO NOT SUBMIT THIS FORM.

To object, you must complete, sign, and mail this Objection Form by First Class U.S. Mail or equivalent, postage prepaid, postmarked on or before [**Response Deadline**], as addressed as follows:

MAIL TO:
Ramirez v. FYDAQ Company, Inc. Settlement
c/o [Settlement Administrator]
[Address]

I want to OBJECT to the Settlement in this case. My objections to the Settlement are (use additional pages if needed):

_____
_____
_____
_____
_____
_____
_____
_____

Name: _____

E-mail Address: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Telephone Number: _____

Date: _____ _____
Signature

Must Be Postmarked
No Later Than
[Response Deadline]

REQUEST FOR EXCLUSION / OPT-OUT FORM

Ramirez v. FYDAQ Company, Inc.
Superior Court of California, County of Orange
Case No. 30-2023-01355489-CU-OE-CXC

COMPLETE THIS FORM IF YOU DO NOT WANT TO RECEIVE A SETTLEMENT PAYMENT AND BE BOUND BY THE SETTLEMENT

Instructions

You have the right to opt-out (i.e., request exclusion) if you do not want to be part of the Class of the proposed Settlement. **If you fill out this Opt-Out Form, you: (1) will not receive any money under the settlement of your claims as a Class Member;** and (2) will not be bound by the terms of this Settlement.

To opt-out, you must complete, sign, and mail this Opt-Out by First Class U.S. Mail or equivalent, postage prepaid, postmarked on or before [**Response Deadline**], addressed as follows:

MAIL TO:
Ramirez v. FYDAQ Company, Inc.
c/o [Settlement Administrator]
[Address]

By signing this Opt-Out Form, I acknowledge that I have read the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice") in this case and the information in the Class Notice pertaining to my right to opt out of or object to certain portions of the proposed Settlement. I also acknowledge that I understand that **I will not receive any money** under the Settlement for my claims as a Class Member, and that I will not be bound by the terms of the Settlement.

Name: _____

E-mail Address: _____

Mailing Address: _____

City: _____ State: _____ Zip Code: _____

Telephone Number: _____

Date: _____ _____
Signature

Must Be Postmarked
No Later Than
[Response Deadline]

WORKWEEK DISPUTE FORM

Ramirez v. FYDAQ Company, Inc.
Superior Court of California, County of Orange
Case No. 30-2023-01355489-CU-OE-CXC

Your individual payment is calculated based on the number of workweeks that you worked for FYDAQ Company, Inc. in California at any time from October 12, 2019 to June 30, 2025. You can find your total number of workweeks and other details in the Court Approved Notice of Class Action Settlement. If you think that your total number of workweeks is wrong, please provide the information below.

If you want to dispute your Workweeks, return this form to the Settlement Administrator on or before _____.

Please provide the following information:

Between October 12, 2019 to June 30, 2025, how many weeks do you believe you worked at least one shift for FYDAQ Company, Inc. in California? _____.

To support the number of workweeks you believe you worked, please include all documentation including any wage statements showing that you worked during this period.

Full Name: _____

Last 4 of SSN or Tax Identification Number:_____

Street Address Line 1:_____

Street Address Line 2:_____

City, State, Zip Code:_____

Telephone Number: _____

Signature of Class Member: _____ Date:_____

E-mail Address (optional)_____