

1 **JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT**

2 This Joint Stipulation of Class Action and PAGA Settlement (“Settlement,” “Agreement,” or
3 “Settlement Agreement”) is made and entered into by and between Plaintiffs Tina Pichon (“Plaintiff
4 Pichon”) and Geri Gates (“Plaintiff Gates”) (together, “Plaintiffs”), individually, and on behalf of all
5 others similarly situated and on behalf of the State of California with respect to aggrieved employees,
6 and Defendant SD&A Teleservices, Inc. (“Defendant”) (collectively, Plaintiffs and Defendant are
7 referred to as “Parties” and individually as “Party”).

8 This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as
9 defined herein), the State of California as to the employment of Aggrieved Employees (as defined
10 herein), and Defendant, subject to the terms and conditions hereof and the approval of the Court.

11 **RECITALS**

12 1. On July 13, 2023, Plaintiff Pichon provided written notice to the Labor and Workforce
13 Development Agency (“LWDA”) by online submission and to Defendant by U.S. Certified Mail,
14 pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor
15 Code alleged to have been violated by Defendant (“Pichon PAGA Letter”).

16 2. On September 18, 2023, Plaintiff Pichon filed a Complaint for Civil Penalties Under
17 the Labor Code Private Attorneys General Act of 2004 (Lab. Code § 2698 *Et Seq.*) (“Pichon Operative
18 Complaint”) in the action entitled *Tina Pichon v. SD&A Teleservices, Inc.*, Los Angeles County
19 Superior Court Case No. 23STCV22461 (“Pichon Action”), which alleged one cause of action under
20 the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.*
21 (“PAGA”) against Defendant.

22 3. On November 28, 2023, Plaintiff Gates provided written notice to the LWDA by online
23 submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section
24 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by
25 Defendant (“Gates PAGA Letter”).

26 4. On November 30, 2023, Plaintiff Gates filed a Class Action Complaint for Damages
27 (“Gates Class Operative Complaint”) in the action entitled *Geri Gates v. SD & A Teleservices, Inc.*,
28 Los Angeles County Superior Court Case No. 23STCV29390 (“Gates Class Action”), thereby

1 commencing a putative class action against Defendant.

2 5. On February 1, 2024, Plaintiff Gates filed a Complaint for Enforcement Action Under
3 the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Gates PAGA Operative
4 Complaint”) in the action entitled *Geri Gates v. SD & A Teleservices, Inc.*, Los Angeles County
5 Superior Court Case No. 24STCV02771 (“Gates PAGA Action”), which alleged one cause of action
6 under PAGA against Defendant.

7 6. On August 29, 2025, the Gates Class Action, Gates PAGA Action, and Pichon Action
8 (collectively, the “Actions”) were consolidated. The Gates Class Action was deemed the lead case.

9 7. The Gates Class Operative Complaint, Gates PAGA Operative Complaint, and Pichon
10 Operative Complaint (collectively referred to as the “Operative Complaints”) allege causes of action
11 for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime
12 wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to
13 provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages
14 during employment, failure to provide compliant wage statements, failure to timely pay wages upon
15 termination, and failure to reimburse necessary business expenses, for violations of California
16 Business & Professions Code Section 17200, *et seq.* based on the aforementioned California Labor
17 Code violations, and for civil penalties under PAGA based on the aforementioned California Labor
18 Code violations.

19 8. Defendant denies all material allegations set forth in the Actions and has asserted
20 numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation,
21 Defendant desires to fully and finally settle the Actions, Released Class Claims (as defined herein),
22 and Released PAGA Claims (as defined herein).

23 9. Class Counsel diligently investigated the class and PAGA claims against Defendant,
24 including any and all applicable defenses and the applicable law. The investigation included, *inter*
25 *alia*, the exchange of information, data, and documents, and review of corporate policies and practices.
26 The Parties have engaged in sufficient informal discovery and investigation to assess the relative
27 merits of the claims and contentions of the Parties.

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10. On April 21, 2025, the Parties participated in mediation with Tagore Subramaniam, Esq. (the “Mediator”), a respected mediator of complex wage and hour actions, which culminated in a global settlement that is memorialized herein. The Parties’ settlement discussions were conducted at arms’ length, and the Settlement is the result of an informed and detailed analysis of Defendant’s potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on Class Counsel’s investigation and evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and Aggrieved Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

11. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason this Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

12. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective. This matter was filed before the 2024 amendments to PAGA. As such, all statutory references in this Agreement to California Labor Code Sections 2698, 2699, and 2699.3, and any subdivisions thereof, are references to the statute as it existed before the 2024 amendment.

a. “Aggrieved Employee(s)” means all non-exempt employees who worked for Defendant in California at any time during the PAGA Period, excluding individuals who worked solely under the dba Full Deck.

b. “Aggrieved Employee Amount” means the amount of Six Thousand Two Hundred Fifty Dollars and Zero Cents (\$6,250.00), i.e., 25% of the PAGA Payment, to be distributed to the Aggrieved Employees on a *pro rata* basis based on their Pay Periods.

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c. “Attorneys’ Fees and Costs” means attorneys’ fees approved by the Court for Class Counsel’s litigation and resolution of the Actions and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 18.

d. “Class” or “Class Member(s)” means all non-exempt employees who worked for Defendant in California at any time during the Class Period, excluding individuals who worked solely under the dba Full Deck.

e. “Class Counsel” means Jonathan M. Genish, Karen I. Gold, Marissa A. Mayhood, Noam Y. Reiffman, Alexandra Rose, and Jasmine Y. Kianfard of Blackstone Law, APC, Carly Nese of the Law Office of Carly Nese, and Louis Benowitz of Benowitz Law Corporation who will seek to be appointed counsel for the Class.

f. “Class List” means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) dates worked for Defendant during the Class Period; and (5) such other information as is necessary for the Settlement Administrator to calculate Workweeks and Pay Periods.

g. “Class Notice” means the Notice of Class Action Settlement, substantially in the form attached hereto as “**Exhibit A**.”

h. “Class Period” means the period from November 30, 2019 through July 1, 2025.

i. “Class Settlement” means the settlement and resolution of all Released Class Claims.

j. “Court” means the Superior Court of the State of California for the County of Los Angeles.

k. “Defendant’s Counsel” means Dina Glucksman, Leslie H. Joyner, and McKenna Fitzpatrick of Gordon Rees Scully Mansukhani, LLP.

l. “Dispute” means a letter submitted by a Class Member disputing the number of Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case name and number of the Gates Class Action; (b) contain the Class Member’s full name, signature,

1 address, telephone number, and the last four (4) digits of the Class Member's Social Security number;
2 (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited
3 to the Class Member and what the Class Member contends is the correct number; and (d) be returned
4 by mail to the Settlement Administrator at the specified address, postmarked on or before the Response
5 Deadline.

6 m. "Effective Date" means the following: (i) if no Settlement Class Member
7 objects to the Class Settlement, then the Effective Date will be the date of Final Approval; or (ii) if
8 any Settlement Class Member objects to the Class Settlement, the Effective Date will be the sixty-first
9 (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or
10 (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the day after final
11 resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting
12 in final judicial approval of the Settlement.

13 n. "Employer Taxes" means the employer's share of taxes and contributions in
14 connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant
15 in addition to the Gross Settlement Amount.

16 o. "Enhancement Payment(s)" means the amounts to be paid to Plaintiffs in
17 recognition of their effort and work in prosecuting the Actions on behalf of Class Members and
18 Aggrieved Employees, as set forth in Paragraph 16.

19 p. "Final Approval" means the determination by the Court that the Settlement is
20 fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

21 q. "Final Approval Hearing" means the hearing at which the Court will consider
22 and determine whether the Settlement should be granted Final Approval.

23 r. "Final Approval Order and Judgment" means the order granting final approval
24 of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the
25 Parties, and subject to approval by the Court.

26 s. "Gross Settlement Amount" means the amount of Five Hundred Thousand
27 Dollars and Zero Cents (\$500,000.00) to be paid by Defendant in full satisfaction of the Actions,
28 Released Class Claims, and Released PAGA Claims, which includes all Attorneys' Fees and Costs,

Enhancement Payments, PAGA Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross Settlement Amount is subject to increase, as provided in Paragraph 22.

t. “Individual PAGA Payment” means the *pro rata* share of the Aggrieved Employee Amount that an Aggrieved Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 24.

u. “Individual Settlement Payment” means the net payment of each Settlement Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 25.

v. “Individual Settlement Share” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 23.

w. “LWDA Payment” means the amount of Eighteen Thousand Seven Hundred Fifty Dollars and Zero Cents (\$18,750.00), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 20.

x. “Net Settlement Amount” means the portion of the Gross Settlement Amount that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less the Court-approved Attorneys’ Fees and Costs, Enhancement Payments, PAGA Amount, and Settlement Administration Costs.

y. “Notice of Objection” means a Settlement Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the Gates Class Action; (b) contain the objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the

1 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

2 z. “PAGA Amount” means the allocation of Twenty-Five Thousand Dollars and
3 Zero Cents (\$25,000.00) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five
4 percent (75%) of the PAGA Amount, or \$18,750.00, will be paid to the LWDA (i.e., the LWDA
5 Payment) and the remaining twenty-five percent (25%), or \$6,250.00, will be distributed to the
6 Aggrieved Employees (i.e., the Aggrieved Employee Amount).

7 aa. “PAGA Period” means the period from July 13, 2022 through July 1, 2025.

8 bb. “PAGA Settlement” means the settlement and resolution of all Released PAGA
9 Claims.

10 cc. “Pay Periods” means the number of pay periods each Aggrieved Employee
11 worked for Defendant as a non-exempt employee in California during the PAGA Period. Pay Periods
12 will be calculated from the Class List.

13 dd. “Preliminary Approval” means the date on which the Court enters the
14 Preliminary Approval Order.

15 ee. “Preliminary Approval Order” means the order granting preliminary approval
16 of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by
17 the Court.

18 ff. “Released Class Claims” means any and all claims pled, debts, liabilities,
19 demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, or causes of action which
20 were alleged or which could have been reasonably alleged based on the factual allegations in the
21 Actions or the Gates Class Operative Complaint, arising during the Class Period, under any federal,
22 state, or local law which includes, but is not limited to, claims for failure to pay all minimum wages
23 and overtime wages due, failure to provide proper meal periods and provide premium pay in lieu
24 thereof, failure to permit rest periods and provide premium pay in lieu thereof, failure to timely pay
25 wages during employment, failure to provide accurate itemized wage statements, waiting time
26 penalties, failure to reimburse necessary business-related costs, in violation of California Labor Code
27 Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and
28 2802, the applicable Industrial Welfare Commission Wage Order, California Business and Professions

Code sections 17200, *et seq.*, and all claims for attorneys’ fees and costs and statutory interest in connection therewith.

gg. “Released PAGA Claims” means any and all claims for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq* that were pled in the Pichon Action and Gates PAGA Action or which could have reasonably been alleged based on the factual allegations in the Pinchon Operative Complaint and Gates PAGA Operative Complaint and the Pichon PAGA Letter and Gates PAGA Letter, arising during the PAGA Period, which includes, but is not limited to, claims for failure to pay all minimum wages and overtime wages due, failure to provide proper meal periods and provide premium pay in lieu thereof, failure to permit rest periods and provide premium pay in lieu thereof, failure to timely pay wages during employment, failure to provide accurate itemized wage statements, waiting time penalties, failure to reimburse necessary business-related costs, in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and all claims for attorneys’ fees and costs in connection therewith.

hh. “Released Parties” means Defendant and its current and former officers, directors, members, insurers, shareholders, attorneys, representatives, and agents during the Class Period and their respective parents, subsidiaries, affiliates, predecessors, successors, and assigns.

ii. “Request for Exclusion” means a letter submitted by a Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Gates Class Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

jj. “Response Deadline” means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is sixty (60) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to Class Members, unless the 60th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The

1 Response Deadline may also be extended by express agreement between Class Counsel and
2 Defendant's Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response
3 Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
4 Response Deadline.

5 kk. "Settlement Administrator" means ILYM Group, Inc., or any other third-party
6 class action settlement administrator agreed to by the Parties and approved by the Court for purposes
7 of administering the Settlement. The Parties and their counsel each represent that they do not have
8 any financial interest in the Settlement Administrator or otherwise have a relationship with the
9 Settlement Administrator that could create a conflict of interest.

10 ll. "Settlement Administration Costs" means the costs payable from the Gross
11 Settlement Amount to the Settlement Administrator for administering the Settlement, as set forth in
12 Paragraph 15.

13 mm. "Settlement Class" or "Settlement Class Member(s)" means all Class Members
14 who do not submit a timely and valid Request for Exclusion.

15 nn. "Workweeks" means the number of weeks each Class Member worked for
16 Defendant as a non-exempt employee in California during the Class Period. Workweeks will be
17 calculated from the Class List.

18 **CLASS CERTIFICATION**

19 13. For the purposes of this Settlement only, the Parties stipulate to the certification of the
20 Class.

21 14. The Parties agree that certification for the purpose of settlement is not an admission
22 that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for
23 whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as
24 part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not
25 be admissible in connection with, the issue of whether or not certification would be inappropriate in a
26 non-settlement context.

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1 **TERMS OF THE AGREEMENT**

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

4 15. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application
5 or motion by Class Counsel for attorneys' fees in the amount up to one-third (1/3) of the Gross
6 Settlement Amount (i.e., \$166,666.67 if the Gross Settlement Amount is \$500,000.00) and
7 reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement
8 of the Actions, in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00),
9 both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all
10 work performed and any and all costs incurred by Class Counsel in connection with the litigation of
11 the Actions, including without limitation all work performed and costs incurred to date, and all work
12 to be performed and all costs to be incurred in connection with obtaining the Court's approval of this
13 Settlement Agreement, including any objections raised and any appeals necessitated by those
14 objections. Class Counsel shall be solely and legally responsible for correctly characterizing this
15 compensation for tax purposes and for paying any taxes on the amounts received. The Settlement
16 Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any
17 portion of the requested Attorneys' Fees and Costs that is not awarded by the Court to Class Counsel
18 shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

19 16. Enhancement Payments. Defendant agrees not to oppose or impede any application or
20 motion by Plaintiffs for Enhancement Payments in the amount up to Seven Thousand Five Hundred
21 Dollars and Zero Cents (\$7,500.00) each to Plaintiffs (total, \$15,000.00). The Enhancement
22 Payments, which will be paid from the Gross Settlement Amount, subject to Court approval, will be
23 in addition to their Individual Settlement Payments as Settlement Class Members and Individual
24 PAGA Payments as Aggrieved Employees. Plaintiffs shall be solely and legally responsible for
25 correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts
26 received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs for the
27 Enhancement Payments. Any portion of the requested Enhancement Payments that is not awarded by
28 the Court to Plaintiffs shall be reallocated to the Net Settlement Amount for the benefit of the

1 Settlement Class Members.

2 17. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of
3 Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) shall be allocated from the Gross
4 Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code
5 Section 2698, *et seq.* (i.e., the PAGA Amount), of which seventy-five percent (75%), or \$18,750.00,
6 will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or \$6,250.00,
7 will be distributed to Aggrieved Employees (i.e., the Aggrieved Employee Amount) on a *pro rata*
8 basis, based on the total number of Pay Periods worked by each Aggrieved Employee during the
9 PAGA Period (i.e., the Individual PAGA Payments).

10 18. Settlement Administration Costs. The Settlement Administrator will be paid for the
11 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
12 which is currently estimated not to exceed Seven Thousand Dollars and Zero Cents (\$7,000.00). These
13 costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include,
14 *inter alia*, printing, distributing, and tracking Class Notices and other documents for the Settlement,
15 calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms
16 and all required tax reporting, filings, withholdings, and remittances, providing necessary reports and
17 declarations, and other duties and responsibilities set forth herein to process the Settlement, and as
18 requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the
19 estimated amount stated herein, such excess amount will be deducted from the Gross Settlement
20 Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded
21 Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement
22 Administrator to undertake the required settlement administration duties shall be reallocated to the Net
23 Settlement Amount for the benefit of the Settlement Class Members.

24 19. Escalator Clause. Defendant has represented that the Class Members worked a total of
25 23,732 workweeks through the April 21, 2025 mediation date. If it is determined by the Settlement
26 Administrator that the total number of Workweeks worked by the Class Members during the Class
27 Period exceeds 23,732 by more than 10% (i.e., if the Workweeks exceed 26,105), then the Gross
28 Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the number

of Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11% to 26,342 Workweeks, then the Gross Settlement Amount will increase by 1%. However, Defendant, in its sole discretion, has the option to adjust the length of the Class Period and PAGA Period by moving the end dates to the date that the Workweeks reach but do not exceed 23,732.

20. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that the Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek Value to each Settlement Class Member's final Individual Settlement Share.

21. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the Aggrieved Employee Amount based on the Aggrieved Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the Aggrieved Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all Aggrieved Employees to yield the "Pay Period Value," and multiply each Aggrieved Employee's individual Pay Periods by the Pay Period Value to yield each Aggrieved Employee's Individual PAGA Payment.

22. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages

1 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their
2 Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes
3 and withholdings). The Employer Taxes will be paid separately and in addition to the Gross
4 Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%)
5 penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

6 23. Administration of Taxes by the Settlement Administrator. The Settlement
7 Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, Aggrieved
8 Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be
9 required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement
10 Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll
11 taxes and other legally required withholdings to the appropriate government authorities.

12 24. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not
13 intend anything contained in this Settlement Agreement to constitute advice regarding taxes or
14 taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement
15 Class Members, and Aggrieved Employees are not relying on any statement, representation, or
16 calculation by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs,
17 Settlement Class Members, and Aggrieved Employees understand and agree that Plaintiffs, Settlement
18 Class Members, and Aggrieved Employees will be solely responsible for the payment of any taxes
19 and penalties assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement
20 Class Members, and Aggrieved Employees should consult with their tax advisors concerning the tax
21 consequences of any payment they receive under the Settlement.

22 25. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT
23 (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY
24 TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN
25 "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS
26 SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE
27 BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS
28 OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE

1 CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE
2 MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART
3 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY
4 UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE
5 (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B)
6 HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE
7 RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY
8 OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR
9 DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY
10 TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
11 ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION
12 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S
13 TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY
14 BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX
15 TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY
16 TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

17 26. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the
18 Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually
19 are issued to the payee. It is expressly understood and agreed that payments made under this
20 Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or any Aggrieved
21 Employee to additional compensation or benefits under any new or additional compensation or
22 benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the
23 Class Period, nor will it entitle Plaintiffs, Settlement Class Members, or any Aggrieved Employee to
24 any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits
25 (notwithstanding any contrary language or agreement in any benefit or compensation plan document
26 that might have been in effect during the Class Period).

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27. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

Plaintiffs will obtain a hearing date from the Court for Plaintiffs' motion for preliminary approval of the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiffs will apply for the entry of the Preliminary Approval Order seeking the following:

- a. Conditionally certifying the Class for settlement purposes only;
- b. Granting Preliminary Approval of the Settlement;
- c. Preliminarily appointing Plaintiff Gates as the representative of the Class;
- d. Preliminarily appointing Class Counsel as counsel for the Class;
- e. Approving as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing by First Class U.S. Mail;
- f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and
- g. Scheduling a Final Approval Hearing at which the Court will determine whether Final Approval of the Settlement should be granted.

28. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(1)(2), Class Counsel shall notify the LWDA of the Settlement.

29. Delivery of Class List. Within twenty-one (21) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. To protect Class Members' privacy rights, the Settlement Administrator must maintain the Class List in confidence, use the Class List only for purposes of this Settlement and for no other purpose, and restrict access to the Class List to Settlement Administrator employees who need access to the Class List to effect and perform under this Agreement.

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1 30. Notice by First-Class U.S. Mail.

2 a. Within seven (7) calendar days after receiving the Class List from Defendant,
3 the Settlement Administrator will perform a search based on the National Change of Address Database
4 or any other similar services available, such as provided by Experian, for information to update and
5 correct for any known or identifiable address changes, and will mail a Class Notice (in the form
6 attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail,
7 using the most current, known mailing addresses identified by the Settlement Administrator.

8 b. Any Class Notice returned to the Settlement Administrator as undeliverable on
9 or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding
10 address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on
11 the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly
12 attempt to determine the correct address using a skip-trace or other search, using the name, address,
13 and/or Social Security number of the Class Member, and perform a single re-mailing within five (5)
14 calendar days.

15 c. Compliance with the procedures described herein above shall constitute due and
16 sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process.
17 Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to
18 provide notice of the Settlement.

19 31. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an
20 opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to
21 them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the
22 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
23 postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute
24 has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data
25 as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class
26 Member, Defendant's records will be presumed to be correct and determinative of the dispute.
27 However, if a Class Member produces information and/or documents to the contrary, the Settlement
28 Administrator will evaluate the materials submitted by the Class Member and the Settlement

1 Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that
2 the disputing Class Member should be credited with under the Settlement. The Settlement
3 Administrator's decision on such disputes will be final and non-appealable.

4 32. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be
5 excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the
6 Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the
7 postmark on the return mailing envelope will be the exclusive means to determine whether a Request
8 for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class
9 Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are
10 submitted, and also identify the individuals who have submitted a timely and valid Request for
11 Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing.
12 At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members
13 to request exclusion from the Class Settlement. Any Class Member who submits a Request for
14 Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who
15 submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will
16 not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively
17 request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion
18 will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining
19 to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants
20 Final Approval to the Settlement. Notwithstanding the above, all Aggrieved Employees will be bound
21 to the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether
22 they submit a Request for Exclusion.

23 33. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class
24 Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by
25 mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing
26 envelope will be the exclusive means to determine whether a Notice of Objection has been timely
27 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's
28 Counsel the number of Notices of Objection that are submitted (specifying which ones were timely

1 and complete and which were not), and also attach them to a declaration that is to be filed with the
2 Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel
3 seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or
4 appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or
5 through counsel, may also present their objection orally at the Final Approval Hearing, regardless of
6 whether they have submitted a Notice of Objection.

7 34. Reports by the Settlement Administrator. The Settlement Administrator shall provide
8 weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed
9 Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of
10 Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class
11 Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will
12 provide to counsel for the Parties any updated reports regarding the administration of the Settlement
13 Agreement as needed or requested, and immediately notify the Parties when it receives a request from
14 an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a
15 Dispute.

16 35. Defendant's Right to Rescind. If more than ten percent (10%) of the Class Members
17 submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement
18 Agreement. Defendant must exercise this right of rescission in writing that is provided to Class
19 Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of
20 the number of Class Members who have submitted timely and valid Requests for Exclusion following
21 the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement
22 administration owed to the Settlement Administrator incurred up to that date.

23 36. Certification of Completion. Upon completion of administration of the Settlement, the
24 Settlement Administrator will provide a written declaration under oath to certify such completion to
25 the Court and counsel for all Parties. Class Counsel is responsible for filing the Settlement
26 Administrator's declaration in Court.

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1 37. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
2 the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final
3 Approval of the Settlement should be granted, along with the amounts properly payable for: (a)
4 Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys'
5 Fees and Costs; (e) Enhancement Payments; and (f) Settlement Administration Costs. The Final
6 Approval Hearing will not be held earlier than thirty (30) calendar days after the Response Deadline.
7 Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the
8 Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion
9 before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the Final
10 Approval Order and Judgment, which will provide for, in substantial part, the following:

- 11 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
12 consummation of its terms and provisions;
- 13 b. Certification of the Settlement Class;
- 14 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;
- 15 d. Approval of the application for Enhancement Payments to Plaintiffs;
- 16 e. Directing Defendant to fund all amounts due under the Settlement Agreement
17 and ordered by the Court; and
- 18 f. Entering judgment in the Actions, while maintaining continuing jurisdiction, in
19 conformity with California Rules of Court 3.769 and the Settlement Agreement.

20 38. Funding of the Gross Settlement Amount. Defendant will fund the Gross Settlement
21 Amount in two (2) installments as follows:

- 22 a. First Installment: Defendant will deposit Three Hundred Thousand Dollars and Zero
23 Cents (\$300,000.00) of the Gross Settlement Amount no later than December 1, 2025
24 ("First Installment") into a Qualified Settlement Fund ("QSF") within the meaning of
25 Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement
26 Administrator.
- 27 b. Second Installment: Defendant will deposit Two Hundred Thousand Dollars and Zero
28 Cents (\$200,000.00) of the Gross Settlement Amount no later than fifteen (15) business
days after Final Approval or on April 1, 2026, whichever is later ("Second

1 Installment”), into the QSF. Defendant shall provide all information necessary for the
2 Settlement Administrator to calculate necessary payroll taxes including its official
3 name, 8-digit state unemployment insurance tax ID number, and other information
4 requested by the Settlement Administrator, no later than fifteen (15) business days after
5 Final Approval or on April 1, 2026, whichever is later.

6 39. Distribution of the Gross Settlement Amount. Within five (5) business days of the
7 Effective Date and full funding of the Gross Settlement Amount, the Settlement Administrator will
8 issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments
9 to Aggrieved Employees, LWDA Payment to the LWDA, Enhancement Payments to Plaintiffs,
10 Attorneys’ Fees and Costs to Class Counsel, and Settlement Administration Costs to itself. The
11 Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes,
12 contributions, and withholding, and timely forward these to the appropriate government authorities.

13 40. Settlement Checks. The Settlement Administrator will be responsible for undertaking
14 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way
15 of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the
16 Aggrieved Employees in accordance with this Settlement Agreement. When issuing payments, the
17 Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA
18 Payment into one check if the intended recipient for both payments is one individual. The Parties and
19 their counsel shall not bear any responsibility for errors or omissions in the calculation or distribution
20 of Individual Settlement Payments and/or Individual PAGA Payments. Settlement Class Members
21 and Aggrieved Employees are not required to submit a claim to be issued an Individual Settlement
22 Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and Individual
23 PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days
24 from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such
25 canceled checks shall be distributed by the Settlement Administrator to the State of California’s
26 Unclaimed Property Division in the name of the Settlement Class Member and/or Aggrieved
27 Employee. The Parties agree that this disposition results in no “unpaid residue” under California Civil
28 Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to Settlement Class
Members, whether or not they cash their settlement checks. Therefore, Defendant will not be required

1 to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or
2 supplemental tax filings and reporting required under applicable local, state, and federal tax laws that
3 are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA
4 Payment checks. Settlement Class Members whose Individual Settlement Payment checks are
5 canceled shall, nevertheless, be bound by the Class Settlement, and Aggrieved Employees whose
6 Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the PAGA Settlement.

7 41. Class Settlement Release. Upon the Effective Date and full funding of the Gross
8 Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally,
9 and forever released, settled, compromised, relinquished, and discharged the Released Parties of all
10 Released Class Claims.

11 42. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross
12 Settlement Amount, Plaintiffs, the State of California with respect to all Aggrieved Employees, and
13 all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled,
14 compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

15 43. Final Approval Order and Judgment. The Parties shall provide the Settlement
16 Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court,
17 and the Settlement Administrator shall post the Final Approval Order and Judgment on its website for
18 sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the
19 Class will be required.

20 44. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the
21 Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and
22 Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the
23 interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters,
24 and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this
25 Settlement Agreement.

26 45. Waiver of Right to Appeal. Provided the Final Approval Order and Judgment is
27 consistent with the terms and conditions of this Agreement, specifically including the Attorneys' Fees
28 and Costs set forth in this Settlement, the Parties, their respective counsel, and all Class Members,

1 excluding any Settlement Class Members (opt-outs) and those who submitted objections, as applicable
2 and provided in this Agreement, waive all rights to appeal from the Final Approval Order and
3 Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to
4 vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does
5 not include any waiver of the right to oppose such motions, writs, or appeals.

6 46. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
7 reviewing Court vacates, reverses, or modifies the Final Approval Order and Judgment in a manner
8 that requires a material modification of this Agreement (including, but not limited to, the scope of
9 releases to be granted), this Agreement shall be null and void. The Parties shall agree to expeditiously
10 work together in good faith to address the appellate court's concerns and to obtain Final Approval and
11 entry of the Final Approval Order and Judgment. An appellate decision to vacate, reverse, or modify
12 the Court's award of the Enhancement Payments or any payments to Class Counsel shall not constitute
13 a material modification of the Final Approval Order and Judgment within the meaning of this
14 Paragraph, as long as the Gross Settlement Amount remains unchanged.

15 47. Effects of Termination or Rescission of Settlement. Termination or rescission of the
16 Settlement Agreement shall have the following effects:

17 a. The Settlement Agreement shall be void and shall have no force or effect, and
18 no Party shall be bound by any of its terms;

19 b. In the event the Settlement Agreement is terminated, Defendant shall have no
20 obligation to make any payments to any Party, Class Member, or attorney, except that the terminating
21 Party shall pay the Settlement Administrator for services rendered up to the date the Settlement
22 Administrator is notified that the Settlement has been terminated;

23 c. The Preliminary Approval Order and Final Approval Order and Judgment,
24 including any order certifying the Class, shall be vacated;

25 d. The Settlement Agreement and all negotiations, statements, and proceedings
26 relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be
27 restored to their respective positions in the Actions prior to the execution of the Settlement Agreement;

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

5 f. Any documents generated to bring the Settlement into effect, will be null and
6 void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will
7 likewise be treated as void from the beginning.

8 48. Confidentiality. The Parties and their counsel will keep the Settlement Agreement
9 confidential through the filing of the motion for preliminary approval. Thereafter, the Parties and their
10 counsel agree that they will not issue any press releases, or initiate any contact with the press, about
11 the fact, amount, or terms of the Settlement Agreement. Notwithstanding the above, nothing in this
12 Paragraph and/or the confidentiality obligations stated herein shall be construed to interfere with Class
13 Counsel's communications with Class Members or limit Class Counsel from complying with ethical
14 obligations under the Settlement Agreement, nor will it preclude Class Counsel from referring to the
15 Settlement in any future Court filings (whether in the Actions or in other proceedings) in support of
16 their qualifications as counsel. The Parties may also make public statements to the Court as necessary
17 to obtain preliminary or final approval of the Settlement. Furthermore, Plaintiffs and Class Counsel
18 will undertake any and all disclosures required to be made to the LWDA in conformity with PAGA.

19 49. Use and Return of Class List. Information provided to Class Counsel pursuant to Cal.
20 Evid. Code §1152, and all copies and summaries of the Class List provided to Class Counsel by
21 Defendant in connection with the mediation, other settlement negotiations, or in connection with the
22 Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be
23 used in any way that violates any existing contractual agreement, statute, or rule of court. Not later
24 than ninety (90) calendar days after the Settlement Administrator discharges its obligation to pay out
25 all Settlement funds, Plaintiffs shall destroy all paper and electronic versions of the Class List received
26 from Defendant unless, prior to the Settlement Administrator's payment of all Settlement funds,
27 Defendant makes a written request to Class Counsel for the return, rather than the destruction, of the
28 Class List.

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

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

8 52. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the
9 entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all
10 prior or contemporaneous agreements, understandings, representations, and statements, whether oral
11 or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or
12 contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties
13 expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure
14 Section 1856(a), which provide that a written agreement is to be construed according to its terms and
15 may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic
16 oral or written representations or terms will modify, vary, or contradict the terms of this Settlement
17 Agreement.

18 53. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in
19 the Actions (including with respect to California Code of Civil Procedure Section 583.310), except
20 such proceedings necessary to implement and complete this Settlement Agreement, pending the Final
21 Approval Hearing to be conducted by the Court.

22 54. Amendment or Modification. Prior to the filing of the motion for preliminary approval
23 of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement
24 except by written agreement signed by counsel for all Parties. After the filing of the motion for
25 preliminary approval of the Settlement, the Parties may not amend or modify any provision of this
26 Settlement Agreement except by written agreement signed by counsel for all the Parties and subject
27 to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not
28 constitute a waiver of any other provision.

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1 55. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
2 represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement
3 Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant
4 to this Settlement Agreement to effectuate its terms and to execute any other documents required to
5 effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have
6 full authority to enter into this Settlement Agreement, and further intend that this Settlement
7 Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible
8 and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation
9 confidentiality provisions that otherwise might apply under state or federal law.

10 56. Signatories. It is agreed that because the members of the Class are so numerous, it is
11 impossible or impractical to have each Settlement Class Member or Aggrieved Employee execute this
12 Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the
13 Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement
14 as to the Aggrieved Employees, and the releases provided for by this Settlement Agreement shall have
15 the same force and effect as if this Settlement Agreement were executed by each Settlement Class
16 Member and Aggrieved Employee.

17 57. Binding on Successors and Assigns. This Settlement Agreement will be binding upon,
18 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

19 58. California Law Governs. All terms of this Settlement Agreement and attached exhibits
20 hereto will be governed by and interpreted according to the laws of the State of California.

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

25 60. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this
26 Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at
27 this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into
28 account all relevant factors, present and potential. The Parties further acknowledge that they are each
represented by competent counsel and that they have had an opportunity to consult with their counsel

1 regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to
2 obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement
3 and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to
4 discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

5 61. Invalidity of Any Provision. Before declaring any provision of this Settlement
6 Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent
7 possible consistent with applicable precedents so as to define all provisions of this Settlement
8 Agreement valid and enforceable.

9 62. Plaintiffs' Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by
10 signing this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate
11 to implement the Settlement.

12 63. Non-Admission of Liability, Class Certification, or Representative Manageability for
13 Other Purposes. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen
14 between them and to avoid the burden, expense, and risk of continued litigation. In entering into this
15 Settlement Agreement, Defendant does not admit, and specifically denies, it has violated any federal,
16 state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any
17 other applicable laws, regulations, or legal requirements; breached any contract; violated or breached
18 any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct
19 with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions,
20 nor any of the negotiations connected with it, shall be construed as an admission or concession by
21 Defendant of any such violations or failures to comply with any applicable law or that any claims may
22 proceed on a class, collective, or representative basis. The Parties agree that class certification and
23 representative treatment is for purposes of this Settlement only. Except as necessary in a proceeding
24 to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and
25 provisions shall not be offered or received as evidence in any action or proceeding to establish any
26 liability or admission on the part of Defendant or to establish the existence of any condition
27 constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

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64. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Settlement Agreement.

65. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

66. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

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

68. Notices. All notices, demands, and other communications to be provided concerning the Settlement Agreement shall be in writing and deemed to have been duly given as of the third business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs and Class Counsel:

Jonathan M. Genish

jgenish@blackstonepc.com

Karen I. Gold

kgold@blackstonepc.com

Marissa A. Mayhood

mmayhood@blackstonepc.com

Noam Y. Reiffman

nreiffman@blackstonepc.com

Alexandra Rose

arose@blackstonepc.com

Jasmine Y. Kianfard

jkianfard@blackstonepc.com

BLACKSTONE LAW, APC

8383 Wilshire Boulevard, Suite 745

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Tel: (310) 622-4278 / Fax: (855) 786-6356

Carly Nese

cnese@neselaw.com

LAW OFFICE OF CARLY NESE

100 Wilshire Boulevard, Suite 700

Santa Monica, California 90401

Tel: (310) 496-5827

Louis Benowitz

louis@benowitzlaw.com

BENOWITZ LAW CORPORATION

8605 Santa Monica Boulevard, PMD 79183

West Hollywood, California 90069

Tel: (818) 839-9610

To Defendant:

Dina Glucksman

dglucksman@grsm.com

Leslie H. Joyner

ljoyner@grsm.com

McKenna Fitzpatrick

mfitzpatrick@grsm.com

GORDON REES SCULLY MANSUKHANI, LLP

633 West Fifth Street, 52nd Floor

Los Angeles, California 90071

Tel: (213) 576-5000 / Fax: (213) 680-4470

69. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendant:

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///

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1 **IT IS SO AGREED.**

2 **PLAINTIFF TINA PICHON**

3 10 / 07 / 2025

4 Dated: _____



Plaintiff Tina Pichon

6 **PLAINTIFF GERI GATES**

8 Dated: 10/10/2025



Plaintiff Geri Gates

10 **DEFENDANT SD&A TELESERVICES,
INC.**

12 Dated: _____

Full Name: _____

Title: _____

On behalf of Defendant SD&A Teleservices, Inc.

16 **APPROVED AS TO FORM ONLY:**

17 **BLACKSTONE LAW, APC**

19 Dated: 10/10/2025



Jonathan M. Genish
Attorneys for Plaintiff Geri Gates
and Proposed Class Counsel

22 **LAW OFFICE OF CARLY NESE**

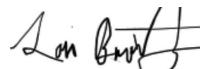
24 Dated: 10 / 07 / 2025



Carly Nese
Attorneys for Plaintiff Tina Pichon
and Proposed Class Counsel

26 **BENOWITZ LAW CORPORATION**

28 Dated: 10 / 07 / 2025



Louis Benowitz

1 **IT IS SO AGREED.**

2 **PLAINTIFF TINA PICHON**

3
4 Dated: _____

Plaintiff Tina Pichon

5
6 **PLAINTIFF GERI GATES**

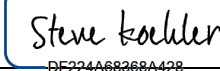
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8 Dated: _____

Plaintiff Geri Gates

9
10 **DEFENDANT SD&A TELESERVICES,**
11 **INC.**

12 Dated: October 9, 2025

DocuSigned by:


DF224A68368A428...

Full Name: STEVE KOEHLER

Title: PRESIDENT AND CHIEF EXECUTIVE OFFICER
On behalf of Defendant SD&A Teleservices, Inc.

13
14
15 **APPROVED AS TO FORM ONLY:**

16 **BLACKSTONE LAW, APC**

17
18 Dated: _____

Jonathan M. Genish
Attorneys for Plaintiff Geri Gates
and Proposed Class Counsel

19
20
21 **LAW OFFICE OF CARLY NESE**

22
23 Dated: _____

Carly Nese
Attorneys for Plaintiff Tina Pichon
and Proposed Class Counsel

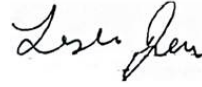
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25
26 **BENOWITZ LAW CORPORATION**

27
28 Dated: _____

Louis Benowitz

*Attorneys for Plaintiff Tina Pichon
and Proposed Class Counsel*

**GORDON REES SCULLY MANSUKHANI,
LLP**



Dated: October 10, 2025

Dina Glucksman
Leslie H. Joyner
McKenna Fitzpatrick
*Attorneys for Defendant SD&A Teleservices,
Inc.*

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Geri Gates v. SD & A Teleservices, Inc. (“Gates Class Action”)
Superior Court of California for the County of Los Angeles, Case No. 23STCV29390
Geri Gates v. SD & A Teleservices, Inc. (“Gates PAGA Action”)
Superior Court of California for the County of Los Angeles, Case No. 24STCV02771
Tina Pichon v. SD & A Teleservices, Inc. (“Pichon Action”)
Superior Court of California for the County of Los Angeles, Case No. 23STCV22461

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant’s records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced cases.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Tina Pichon (“Plaintiff Pichon”) and Geri Gates (“Plaintiff Gates”) (together, “Plaintiffs”) and Defendant SD&A Teleservices, Inc. (“Defendant”) (Plaintiffs and Defendant are collectively referred to as the “Parties”) in the above listed cases (collectively, “Actions”), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] (“Final Approval Hearing”) to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

“Class” or “Class Member(s)” means all non-exempt employees who worked for Defendant in California at any time during the Class Period, excluding individuals who worked solely under the dba Full Deck.

“Class Period” means the period from November 30, 2019 through July 1, 2025.

“Class Settlement” means the settlement and resolution of all Released Class Claims.

“Aggrieved Employee(s)” means all non-exempt employees who worked for Defendant in California at any time during the PAGA Period, excluding individuals who worked solely under the dba Full Deck.

“PAGA Period” means the period from July 13, 2022 through July 1, 2025.

“PAGA Settlement” means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTIONS

On July 13, 2023, Plaintiff Pichon provided written notice to the California Labor and Workforce Development Agency (“LWDA”) and Defendant of the specific provisions of the California Labor Code alleged to be violated (“Pichon PAGA Letter”). On September 18, 2023, Plaintiff Pichon filed Complaint for Civil Penalties Under the Labor Code Private Attorneys General Act of 2004 (Lab. Code § 2698 *Et Seq.*) (“Pichon Operative Complaint”) in the Pichon Action, which alleged one cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 et seq. (“PAGA”) against Defendant.

On November 28, 2023, Plaintiff Gates provided written notice to the LWDA and Defendant of the specific provisions of the California Labor Code alleged to be violated (“Gates PAGA Letter”). On November 30, 2023, Plaintiff Gates filed a Class Action Complaint for Damages (“Gates Class Operative Complaint”) in the Gates Class Action, thereby commencing a putative class action against Defendant. On February 1, 2024, Plaintiff Gates filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq.* (“Gates PAGA Operative Complaint”) in the

Gates PAGA Action, which alleged one cause of action under PAGA against Defendant.

On August 29, 2025, the Actions were consolidated. The Gates Class Action was deemed the lead case.

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under PAGA. Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Actions or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed ILYM Group, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Gates as the representative of the Class ("Class Representative"), and the following Plaintiffs' attorneys as counsel for the Class ("Class Counsel"):

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Karen I. Gold
Marissa A. Mayhood
Noam Y. Reiffman
Alexandra Rose
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If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all Aggrieved Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Actions have merit or that Defendant has any liability

to Plaintiffs, Class Members, or Aggrieved Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and Aggrieved Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Five Hundred Thousand Dollars and Zero Cents (\$500,000.00) (the “Gross Settlement Amount”). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys’ fees, in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., \$166,666.67), and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00) to Class Counsel; (2) Enhancement Payments in amounts not to exceed Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each to Plaintiffs for their services in the Actions; (3) the amount of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) allocated toward civil penalties under the Private Attorneys General Act (“PAGA Amount”), of which the LWDA will be paid 75% (\$18,750.00) (“LWDA Payment”) and the remaining 25% (\$6,250.00) will be distributed to Aggrieved Employees (“Aggrieved Employee Amount”); and (4) Settlement Administration Costs in an amount not to exceed Seven Thousand Dollars and Zero Cents (\$7,000.00) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount (“Individual Settlement Share”) based on the number of weeks each Class Member worked for Defendant as a non-exempt employee in California during the Class Period (“Workweeks”). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the “Estimated Workweek Value,” and multiplied each Class Member’s individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion (“Settlement Class Members”) will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee’s share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member (“Individual Settlement Payment”). The employer’s share of taxes and contributions in connection with the wages portion of Individual Settlement Shares (“Employer Taxes”) will be paid by Defendant separately and in addition to the Gross Settlement Amount.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the Aggrieved Employee Amount (“Individual PAGA Payment”) based on the number of pay periods each Aggrieved Employee worked for Defendant as a non-exempt employee in California during the PAGA Period (“Pay Periods”). The Settlement Administrator had divided the Aggrieved Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all Aggrieved Employees to yield the “PAGA Pay Period Value,” and multiplied each Aggrieved Employee’s individual Pay Periods by the Pay Period Value to yield each Aggrieved Employee’s Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendant's Records

According to Defendant's records:

- From November 30, 2019 through July 1, 2025 (i.e., the Class Period), you are credited as having worked [REDACTED] Workweeks.
- From July 13, 2022 through July 1, 2025 (i.e., the PAGA Period), you are credited as having worked [REDACTED] Pay Periods.

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator ("Dispute"). The Dispute must: (a) contain the case name and number of the Gates Class Action (*Geri Gates v. SD & A Teleservices, Inc.*, Case No. 23STCV29390); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked on or before [Response Deadline].

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED] and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all Aggrieved Employees, and all Aggrieved Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means any and all claims pled, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action which were alleged or which could have been reasonably alleged based on the factual allegations in the Actions or the Gates Class Operative Complaint, arising during the Class Period, under any federal, state, or local law which includes, but is not limited to, claims for failure to pay all minimum wages and overtime wages due, failure to provide proper meal periods and provide premium pay in lieu thereof, failure to permit rest periods and provide premium pay in lieu thereof, failure to timely pay wages during employment, failure to provide accurate itemized wage statements, waiting time penalties, failure to reimburse necessary business-related costs, in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, California Business and Professions Code sections 17200, *et seq.*, and all claims for attorneys' fees and costs and statutory interest in connection therewith..

"Released PAGA Claims" means any and all claims for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq* that were pled in the Pichon Action and Gates PAGA Action or which could

have reasonably been alleged based on the factual allegations in the Pinchon Operative Complaint and Gates PAGA Operative Complaint and the Pichon PAGA Letter and Gates PAGA Letter, arising during the PAGA Period, which includes, but is not limited to, claims for failure to pay all minimum wages and overtime wages due, failure to provide proper meal periods and provide premium pay in lieu thereof, failure to permit rest periods and provide premium pay in lieu thereof, failure to timely pay wages during employment, failure to provide accurate itemized wage statements, waiting time penalties, failure to reimburse necessary business-related costs, in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and all claims for attorneys' fees and costs in connection therewith.

"Released Parties" means Defendant and its current and former officers, directors, members, insurers, shareholders, attorneys, representatives, and agents during the Class Period and their respective parents, subsidiaries, affiliates, predecessors, successors, and assigns.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount not to exceed one-third (1/3) of the Gross Settlement Amount (i.e., \$166,666.67) and reimbursement of litigation costs and expenses in an amount not to exceed Thirty-Five Thousand Dollars and Zero Cents (\$35,000.00) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs, Class Members, and Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amounts of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) each (total, \$15,000.00) ("Enhancement Payments"), in recognition of their services in connection with the Actions. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, they will be paid to Plaintiffs in addition to their Individual Settlement Payments and Individual PAGA Payments that they are entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Seven Thousand Dollars and Zero Cents (\$7,000.00) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are an Aggrieved Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and Aggrieved Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible

for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Gates Class Action (*Geri Gates v. SD & A Teleservices, Inc.*, Case No. 23STCV29390); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before** [Response Deadline].

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. Aggrieved Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Gates Class Action (*Geri Gates v. SD & A Teleservices, Inc.*, Case No. 23STCV29390); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before** [Response Deadline].

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 17 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payments to Plaintiffs, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and Aggrieved Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

You can find more information regarding appearing remotely through LA Court Connect online at: <https://www.lacourt.org/lacceligibility/ui/civil.aspx?casetype=ci>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Actions by visiting Stanley Mosk Courthouse, 111 North Hill Street, California 90012, during normal business hours, or by online by visiting the following website: <https://www.lacourt.ca.gov/pages/lp/access-a-case/tp/find-case-information/cp/os-civil-case-access>

You may also visit the Settlement Administrator's website at [REDACTED] for key documents in the Actions.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [REDACTED], OR YOU MAY ALSO CONTACT CLASS COUNSEL.