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and on behalf of all others similarly situated
and as a representative of aggrieved employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN LOS ANGELES**

DIVYA K. PURSLEY, individually and on
behalf of all others similarly situated,

Plaintiff,

vs.

SLING FLYING CLUB, LLC, a California
Limited Liability Company; and DOES 1
through 25,

Defendants.

Case No.: 23STCV27865
Assigned to Hon. Lawrence P. Riff

**DECLARATION OF AARON C.
GUNDZIK IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS AND REPRESENTATIVE
ACTION SETTLEMENT**

Date: December 11, 2024
Time: 10:00 a.m.
Place: SSC-7

Complaint Filed: November 14, 2023

I, Aaron C. Gundzik, declare as follows:

1. I am a partner at Gundzik Gundzik Heeger LLP, co-counsel for Plaintiff Divya K. Pursley. This Declaration is submitted in support of Plaintiff's Motion for Preliminary Approval of Class and Representative Action Settlement ("Motion").

2. I am admitted to practice law in the state of California. I have personal knowledge of the matters set forth herein, and, if called as a witness, could competently testify thereto.

3. I am familiar with California law governing wages owed to employees, including but not limited to California Labor Code Sections 201, 202, 204, 226, 226.7, 510, 512, 1194-1198, 2802, 2698 *et seq.*, California Business and Profession Codes 17200 *et seq.*, and the Wage Orders of the Industrial Welfare Commission.

4. There are no conflicts that would prevent me from serving as Class Counsel in this matter.

Procedural Information

5. This action was filed on November 14, 2023. The settlement that is the subject of Plaintiff’s Motion resolves class and PAGA claims asserted in Plaintiff’s First Amended Complaint, which was filed on January 19, 2024. The First Amended Complaint alleges the following causes of action against Defendant Sling Flying Club, LLC (“Defendant” or “Sling”): (1) failure to pay wages for all work performed; (2) failure to pay overtime; (3) failure to provide compliant meal and rest breaks; (4) inaccurate wage statements; (5) failure to reimburse necessary expenses; (6) unfair business practices; (7) failure to pay unpaid wages at separation; and (8) recovery of civil penalties pursuant to the Private Attorneys General Act, Cal. Lab. Code §§2698-2699.5 (“PAGA”).

6. The Court has not certified a class in this case.

Dunk/Kullar Analysis

Investigation and Discovery

7. Rebecca Gundzik and I, and our co-counsel Dan Holzman, have been directly involved in all aspects of this case. In that regard, we have extensively investigated Plaintiff's claims against Defendant. We have engaged in informal discovery and reviewed and analyzed numerous pay documents, including records and information produced by Defendant, and worked to develop information on potential damages. In connection with the mediation, Defendant produced a large sample of time records and pay records which represented about 20% of the class's total pay periods. Defendant also provided personnel records, handbooks and policies. In addition, our offices interviewed class members about

1 their experiences working for Defendant. We have also investigated and compiled publicly
2 available information about Defendant and its business.

3 8. I met and conferred extensively with Defendant's counsel regarding the
4 scope and type of additional documents and information we were seeking in advance of the
5 mediation. As a result of these negotiations, Defendant provided additional information
6 including, the number of Class Members and PAGA Aggrieved Employees, total Class
7 Member Workweeks, total PAGA Aggrieved Employee pay periods, number of separated
8 Class Members and the number of separated PAGA Aggrieved Employees.

9 9. I and my litigation team have reviewed and analyzed the records and
10 information produced by Defendant together with the information provided by our client.
11 We prepared an extensive damages model including an estimate of the damages incurred by
12 the Class and the PAGA Aggrieved Employees.

13 10. I and my co-counsel consulted with Plaintiff extensively in order to
14 investigate the facts before filing the Complaint and subsequent pleadings. We continued to
15 consult with her prior and subsequent to the mediation regarding the forgoing issues. Ms.
16 Pursley provided us with numerous details about her experiences working for Defendant and
17 provided us with information about other employees that we interviewed. Ms. Pursley
18 helped us prepare for and attended the mediation remotely.

19 **Summary of Settlement Negotiations**

20 11. On July 18, 2024, I, Plaintiff and our co-counsel Dan Holzman, as well as
21 Defendant and Defendant's counsel, attended a remote mediation session with Michael
22 Loeb, Esq. Mr. Loeb has substantial experience mediating wage and hour class actions and
23 PAGA representative actions like this one. The case settled after a full day of negotiation
24 pursuant to a mediator's proposal. The settlement was negotiated at arms' length and was in
25 no sense collusive.

26 **Summary of Class Counsel's Experience**

27 12. I have been practicing law in Southern California for over 35 years. I
28 graduated from the University of Southern California Law School in 1987 and have been a

1 member of the California bar since 1987. Throughout my career I have been involved in the
2 litigation of complex cases, including securities, consumer and wage and hour class actions.
3 Presently, I am plaintiffs' counsel in approximately ten class actions in various stages of
4 litigation. I have served as class counsel in numerous wage and hour class actions that have
5 already settled and successfully represented a class of service technicians at trial and through
6 appeal in *Gonzalez v. Downtown LA Motors, LP*, 215 Cal. App. 4th 36 (2013). The
7 precedent created in the *Gonzalez* case was one of the bases for Labor Code section 226.2.

8 13. Rebecca Gundzik, who is also a partner at my law firm, has also been
9 practicing law in Southern California for over 35 years. She worked with me extensively on
10 this case. Ms. Gundzik graduated from the University of Southern California Law School in
11 1988 and has been a member of the California bar since 1988. Ms. Gundzik works with me
12 on all of my class action matters and was my co-counsel at the trial of *Gonzalez v.*
13 *Downtown LA Motors, LP*, 215 Cal. App. 4th 36 (2013).

14 14. I have been appointed as class counsel in the following wage and hour class
15 actions:

- 16 a. *Gonzalez v. Downtown LA Motors*, 215 Cal. App. 4th 35 (2013)
- 17 b. *Aboyte v. Sunrise Ford, Inc.*, Los Angeles County Superior Court Case No.
18 BC521274
- 19 c. *Alshamri v. Ford of Santa Monica, Inc.*, Los Angeles County Superior Court
20 Case No. BC529007
- 21 d. *Altschuler v Sedgwick Claims Management Services, Inc.*, Los Angeles
22 County Superior Court Case No. 21STCV06933
- 23 e. *Bromberg v. Fidelity National Information Services*, United States District
24 Court, Central District of California Case No. 2:15-CV-7930
- 25 f. *Burciaga v. Superior Thread Rolling Company*, Los Angeles County
26 Superior Court Case No. BC585143
- 27 g. *Centino v. Arrowhead Products Corporation*, Orange County Superior Court
28 Case No. 30-2018-00988493

- 1 h. *Caesar-Roden v Yoga Works, Inc.*, Los Angeles County Superior Court Case
2 No. BC711991
- 3 i. *Claim Jumper Restaurants Wage and Hour Cases*, JCCP No. 4916
- 4 j. *ClubCorp Wage and Hour Cases*, Orange County Superior Court Case No.
5 30-2-2—01137085 (JCCP No. 5138)
- 6 k. *Cypress Security Wage and Hour Cases*, Los Angeles County Superior Court
7 Case No. BC672405 (JCCP No. 4963)
- 8 l. *Dittmar v. Costco*, S.D. Cal. No. 3-14-CV-1156
- 9 m. *Franco v. Gentry Brothers, Inc.*, Los Angeles County Superior Court Case
10 No. BC586571
- 11 n. *Gallegos v. EC Holdings Inc.*, Los Angeles County Superior Court Case No.
12 BC616867
- 13 o. *Gonzales v. Manrika, Inc.*, Los Angeles County Superior Court Case No.
14 BC570534
- 15 p. *Grieg v. Food on Time, Inc.*, at al., Los Angeles County Superior Court Case
16 No. BC684566
- 17 q. *Guillen v. Grasshopper House, LLC*, Los Angeles County Superior Court
18 Case No. BC685116
- 19 r. *Hall v. Culpepper & Associates Security Services, Inc.*, Los Angeles County
20 Superior Court Case No. 20STCV15317
- 21 s. *Haskins v. Walmart, et al.*, San Diego County Superior Court Case No. 37-
22 2019-00020149-CU-OE-NC
- 23 t. *Hamilton v. BlueMercury, Inc.*, Los Angeles County Superior Court Case No.
24 BC625829
- 25 u. *Henriquez v. NGU Transport LLC*, Los Angeles County Superior Court No.
26 BC714165
- 27 v. *Hernandez v. The Bicycle Casino LP*, Los Angeles County Superior Court
28 Case No. BC628414

- 1 w. *Honeine v. PMB Motorcars, LLC*, Los Angeles County Superior Court Case
2 No. BC530827
- 3 x. *Hughes v. Jeffrey Lee Galitz, MD, a Professional Medical Corp.*, Los
4 Angeles County Superior Court Case No. 21STCV30732
- 5 y. *Jimenez v. El Proyecto Del Barrio, Inc.*, Los Angeles County Superior Court
6 No. 19STCV18696
- 7 z. *Jimenez v. PPG Industries, Inc.*, Los Angeles County Superior Court Case
8 No. BC613324
- 9 aa. *Kaelberer v. Long Beach Eurocars LLC*, Los Angeles County Superior Court
10 Case No. BC521275
- 11 bb. *Kuenstle v. Childrens Hospital Los Angeles Medical Group, Inc.*, Los
12 Angeles County Superior Court Case No. BC653858
- 13 cc. *Kussner v. MV Public Transportation, Inc.*, Los Angeles County Superior
14 Court Case No. 21STCV12259
- 15 dd. *Maravilla v. Motion Picture Television Fund*, Los Angeles County Superior
16 Court Case No. BC690494
- 17 ee. *Medina v. Kaweah Pump, Inc.*, Tulare County Superior Court No. 265579
- 18 ff. *Mendez v WTMG, Inc.*, San Joaquin County Superior Court Case No. STK-
19 CV-UOE-2021-0009144
- 20 gg. *Mendoza v. Quanta Computer, USA, Inc.*, Alameda County Superior Court
21 No. RG11589781
- 22 hh. *Mitchiner v. Cox Target Media, Inc.*, Los Angeles County Superior Court
23 Case No. 19STCV00319
- 24 ii. *Munoz v. Dependable Highway Express, Inc.*, Los Angeles County Superior
25 Court Case No. BC535931
- 26 jj. *Nava v. Pacific Coast Sightseeing Tours & Charters, Inc.*, Los
27 Angeles County Superior Court Case No. BC685681
28

1 kk. *Ortiz v. Roberts Tool Co., Inc.*, Los Angeles County Superior Court Case No.
2 BC626244
3 ll. *Otis v. Ray Stone Incorporated*, Sacramento County Superior Court Case No.
4 34-2019-00269952
5 mm. *Parrilla v Monster Energy Company*, Los Angeles County Superior Court
6 Case No. 21STCV25855
7 nn. *Perez v. The Parsons Group, Inc.*, Santa Barbara County Superior Court
8 Case No. 19CV01203
9 oo. *Poland v. Glen Ivy Hot Springs, Inc.*, Riverside County Superior Court No.
10 RIC1312130
11 pp. *Saavedra v. Cliff View Terrace, Inc.*, Santa Barbara County Superior Court
12 Case No. 17CV02531
13 qq. *Santiago v. Univar Solutions, Inc.*, Los Angeles County Superior Court Case
14 No.21STCV25600
15 rr. *Schneider v. Inner City Education Foundation*, Los Angeles County
16 Superior Court Case No. BC617827
17 ss. *Stadnik v. Leon's Transmission Service, Inc.*, Los Angeles County Superior
18 Court Case No. 19STCV44253
19 tt. *Surveillance Security Wage and Hour Cases*, JCCP 4969
20 uu. *T.J. Maxx Wage and Hour Cases*, JCCP 5097
21 vv. *Vatralava v. Sears, Roebuck and Co.*, Los Angeles County Superior Court
22 Case No. BC515650
23 ww. *Villalobos v. Pedego, Inc.*, Orange County Superior Court Case No. 30-2019-
24 01102461
25 xx. *Watson v. Aegis Security & Investigations Inc.*, Los Angeles County Superior
26 Court Case No. BC695411
27 yy. *Wysocki v. Color Spot Nurseries, Inc.*, San Luis Obispo County Superior
28 Court No. 14CVPO138

1 zz. *Yoo v NGL Transportation LLC*, Los Angeles County Superior Court Case
2 No. BC682160

3 aaa. *Yoo v. South Coast Transportation & Distribution, Inc.*, Los Angeles
4 County Superior Court Case No. BC682120

5 15. Each of the cases listed in Paragraph 14 and the cases still active involve
6 wage and hour issues similar to the legal and factual issues involved in this case.

7 **A. Summary of the Case- Legal and Factual basis for Each Claim**

8 16. Based upon our investigation, we made the following contentions: Defendant
9 Sling Flying Club LLC, is a flight school, located in Torrance, California. Plaintiff Pursley
10 worked as a flight instructor for Sling.

11 17. While working, Plaintiff and Class Members contended that due to their work
12 obligations, they did not have sufficient time to take compliant meal and rest breaks.

13 18. Plaintiff and Class Members also contended that they were not paid for all
14 hours that they were required to be at work. Instead, they were paid only for time spent
15 teaching students.

16 19. Plaintiff and Class Members further contended that they did not receive
17 overtime premium pay when they were required to work overtime hours.

18 20. Plaintiff and the Class Members also contended that Defendant did not
19 maintain time records at all for flight instructors.

20 21. Also, Plaintiff and Class Members contended that they had to use their
21 personal cell phones to communicate with their supervisors, students and other employees.
22 But Defendant did not reimburse employees for these expenses.

23 22. Based on the forgoing, Plaintiff contended that she and class members were
24 not provided with compliant wage statements or paid all wages owed to them upon
25 separation from Sling.

26 **B. Risks, Expenses, Complexity and Duration if Settlement Not Approved**

27 23. I, Ms. Gundzik, our co-counsel and Plaintiff concluded, after taking into
28 account the sharply disputed factual and legal issues involved in the lawsuit, the risks

1 attending further prosecution, and the substantial benefits to be received pursuant to the
2 compromise and settlement of the action, that the settlement is in the best interests of the
3 Class and is fair and reasonable. We also considered the possibility that the Class would not
4 be certified and factored in the additional delay in recovery for Class Members if the
5 settlement were rejected and the case went to trial.

6 24. If the settlement is not approved, Plaintiff would need to move forward with
7 discovery and then move for class certification. Defendant will oppose certification on the
8 grounds that numerous individualized fact issues allegedly exist. Defendant will argue and
9 could succeed in claiming that these individualized issues overwhelm common issues,
10 and/or that the action is not manageable on a class wide basis. The result could be that the
11 case would not be certifiable as a class action.

12 **C. Risks of Maintaining Class Action Status**

13 25. Even if we proceeded and the Class is certified, significant risks would
14 remain. At trial Defendant could interpose a successful defense which could either cause the
15 Court to decertify the Class or cause the jury to reject Plaintiff's claims or award the Class
16 only a small amount of the unpaid wages and other damages sought. And, even if the Class
17 ultimately prevailed, most of the Class Members would have to wait years before they
18 received any payment from the lawsuit.

19 26. After analyzing and weighing the evidence discussed above as well as the
20 legal issues, we concluded that the settlement of \$630,000, \$20,000 of which will be
21 allocated to Plaintiff's PAGA claim, for a class of approximately 141 persons, represents a
22 fair and reasonable discount from the realistic recovery. We considered the fact that
23 Defendant is a small company and, as set forth in Defendant's declaration accompanying the
24 Motion, may not have had sufficient funds to pay in excess of the settlement amount. We
25 firmly believe that amount is the most that Defendant was willing and able to pay at this
26 stage of the case and that if we had rejected that amount, we would have been forced to seek
27 class certification and subject the Class to the risk of losing at any stage of the process. The
28 settlement will allow the parties to avoid the expense and time commitments of continued

1 litigation and provides a significant benefit for the Class, the LWDA and the PAGA
2 Aggrieved Employees which would not otherwise have been available unless a settlement
3 was reached. Based on my experience, I believe a gross settlement of \$630,000 is within the
4 “ballpark” of a fair, reasonable and adequate settlement.

5 **D. Information Regarding Strengths, Weaknesses, and Range of Value of Each**
6 **Claim**

7 27. Based on the data provided to us we determined that there are 141 Class
8 Members, who worked a total of 6,928 weeks during the Class Period. The average hourly
9 rate was \$15, and the average regular rate was \$20.

10 28. The First Cause of Action is for failure to pay for work performed. This claim
11 was based on the contention that Defendant failed to pay flight instructors for all of the time
12 that they worked. Class Members were not paid by the hour. Instead, they were paid for
13 some, but not all, tasks performed during a workday. For example, Class Members were not
14 paid for time that they waited between lessons or for the time between their arrival at work
15 and the beginning of their first paid lesson. Defendant did not provide a mechanism for
16 Class Members to record their working hours and breaks. So, it was difficult to precisely
17 determine the amount of unpaid time. Based on our Class Member interviews and other
18 data, we estimated that Class Members worked about 1.5 unpaid hours per shift. About 10%
19 of these hours were overtime hours. On average, Class Members worked about 3.5 shifts per
20 week. Using these numbers, we estimated that the maximum value of this claim to be
21 \$555,640. However, certifying this claim would be challenging because there is no data to
22 support these instances of unpaid time, and it is based solely on class member statements.
23 Moreover, Defendant could successfully contend that there are manageability issues and
24 individualized issues as to whether and to what extent Class Members worked off the clock.
25 I therefore determined that the minimum value of this claim is \$0.

26 29. The Second Cause of Action is for failure to pay for overtime work at
27 overtime rates of pay. This claim was based on Defendant’s failure to pay Plaintiff and the
28 other Class Members overtime rates of pay for overtime hours. After reviewing work logs,

1 we concluded that about 10% of the unpaid time represented overtime. Using this estimate
2 and the other numbers discussed in the preceding paragraph, we estimated the maximum
3 value of this claim to be \$123,475. However, for the reasons discussed above, this claim,
4 too, would be challenging. Accordingly, we concluded that the minimum value of this claim
5 is \$0.

6 30. The Third Cause of Action is for failure to provide compliant meal and rest
7 periods. This claim was based on Defendant's failure to provide compliant meal and rest
8 breaks as well as its failure to pay Class Members meal and rest break premiums.
9 Defendant's records revealed that Class Members were often denied compliant breaks.
10 Based on the records we reviewed, I determined that the maximum value of the meal break
11 portion of this claim is \$203,049. This is based on an estimated total of 27,439 shifts and a
12 37% violation rate. (27,439 shifts x 37% violation rate x \$20 regular rate = \$203,049.) We
13 estimated that the maximum value of the rest break portion of this claim is about \$323,780.
14 This is based on an assumed violation rate of 59% (27,439 shifts x 59% violation rate x \$20
15 regular rate = \$323,780.) However, because of the lack of documentary evidence regarding
16 rest break violations, and the possibility that Defendant could successfully contend that the
17 meal and rest break violations were individualized incidents which did not support a class
18 award, we concluded that the minimum value of this claim is \$0.

19 31. The Fourth Cause of Action is for failure to provide compliant wage
20 statements. The statute of limitations on such a claim is one year. This claim is based on the
21 fact that the wage statements issued to Plaintiff and the Class are incorrect in that they did
22 not include all of the unpaid hours worked and do not reflect meal and rest break wage
23 premiums that should have been paid. The penalties for inaccurate wage statements are \$50
24 per employee for the first violation and \$100 per employee per violation for all subsequent
25 violations. Penalties per employee are limited to \$4,000. Prior to mediation, Defendant
26 disclosed that a total of 103 employees worked a total of about 3,551 pay periods during the
27 PAGA Period. Based upon the number of wage statements, I estimated that the maximum
28 value of this claim is approximately \$349,950. ((3,551 pay periods x \$100) – (103

employees x \$50) = \$349,950.) At the same time, I estimated that this claim has a minimum value of \$0.

32. The Fifth Cause of Action is for failure to reimburse employees for all necessary expenditures. This claim was based upon Plaintiff's contention that Class Members were required to use their personal cell phones to communicate with their supervisors, students and coworkers. I determined that the maximum value of this claim is approximately \$84,175, which assumes a reimbursement rate of \$50 per month and about 1,683 employee months worked during the class period. I estimated that the minimum value is \$0.

33. The Seventh Cause of Action is for failure to pay separated employees all wages due at the time of separation. This claim is based on Defendant's alleged failure to pay Class Members all wages due when they separated, as their final pay did not include amounts due for meal or rest period premiums, non-productive time or for all of their overtime work. There are about 73 Class Members who were separated during the relevant statutory period. At an average daily rate of \$140, I determined that the maximum value of this claims is approximately \$306,600 and that the minimum value is \$0.

34. The Sixth Cause of Action is for violation of Business & Professions Code section 17200, *et. seq.* The forgoing analysis assumes the longer four-year statute of limitations that is available under the UCL for certain violations. This cause of action is derivative of the other claims that have already been analyzed. Accordingly, the damages available under this cause of action have already been analyzed or are duplicative of the damages discussed.

35. The Eighth Cause of Action is for violations of the Private Attorneys General Act (PAGA). The PAGA claim is limited in time to one year. The strength of the PAGA claim would be impacted by the factors discussed above for the non-PAGA claims. Based on recent PAGA decisions, I concluded that even if Plaintiff was successful on this claim through trial, the Court may well have exercised its discretion under PAGA and significantly reduced the penalties. Cal. Labor Code §2699(e)(2). In addition, the settlement was

1 primarily directed at recovering wages and unpaid premiums owed to Class Members and
2 the bulk of the settlement funds were intended to compensate for these wages. Based on
3 these factors, I believe that the maximum reasonable value of the PAGA claim is
4 approximately \$350,000, and the minimum value is nothing. I therefore concluded that the
5 \$20,000 that the parties allocated to PAGA, 75% of which will be paid to the LWDA, is a
6 reasonable settlement of that claim.

7 36. Based upon the forgoing, I determined that the class claims in this case had a
8 minimum value of \$0 and a maximum estimated value of about \$1.9 million, not including
9 the PAGA penalties. Based on a Class size of approximately 141, the reasonable estimate of
10 the average net amount that Class Members could have obtained if Plaintiff prevailed at trial
11 on behalf of the entire Class, if the Class was certified, would be a minimum of \$0 and a
12 maximum of about \$13,806. However, the maximum amount is almost never recovered at
13 trial and never in a settlement. Settlements, by their nature, must account for the weaknesses
14 in a plaintiff's case, which are discussed above. Indeed, because Defendant raised a
15 colorable legal or factual defense to each of the claims Plaintiff alleged, it is possible that,
16 after trial, the Class would recover nothing. Defendant also is a relatively small company
17 with limited finances, and we were concerned that it would not be able to satisfy a judgment
18 in excess of the settlement amount and that if the litigation continued, it may not have
19 been able to remain a viable business (which would have meant that the Class Members
20 would not receive any amounts whatsoever).

21 37. The PAGA settlement satisfies the criteria in *Moniz v. Adecco USA, Inc.* 72
22 Cal. App. 5th 56, 77 (2021), because "it is fair, reasonable, and adequate in view of PAGA's
23 purposes to remediate present labor law violations, deter future ones, and to maximize
24 enforcement of state labor laws." In our settlement, \$20,000 is allocated to Plaintiff's PAGA
25 claim, which is approximately 3% of the Gross Settlement Amount. In conjunction with the
26 class settlement, pursuant to which Class Members will receive a total of approximately
27 \$358,300, not including the PAGA payment, this settlement will serve to remediate
28 Defendant's labor law violations. Given that Defendant will be paying \$630,000, as a result

1 of the alleged violations, the Class and PAGA settlement is a large disincentive for
2 Defendant to engage in similar Labor Code violations in the future. And, because all Class
3 Members will receive a notice of settlement with our contact information, those employees
4 will know to contact us in the future if Defendant attempts to engage in similar practices.
5 These factors—the payment of a large sum and employee notice of violations and potential
6 violations—serve to maximize enforcement of state labor laws. Also, unlike in *Moniz*, here
7 there is no unsubstantiated and disproportionate allocation of civil penalties between
8 different groups of employees. All aggrieved employees will receive an allocation of PAGA
9 civil penalties based on the number of qualifying pay periods that they worked for
10 Defendant.

11 **E. Class Certification Issues**

12 38. Based on the information provided to us by Defendant in connection with our
13 investigation and discovery and in connection with the mediation, there are approximately
14 141 Class Members.

15 39. Class Members will be identified by Defendant in connection with its duty to
16 provide Class Data to the Administrator within fifteen (15) days after the Court preliminarily
17 approves the settlement. Ex. 1, § 4.2.

18 40. Community of interest exists, as in the pleading, Plaintiff is claiming the
19 same injuries based upon the same alleged wage and hour policies as are the Settlement
20 Class Members.

21 **F. Other Concerns**

22 41. I have conferred with Defendant’s counsel and have learned that all Class
23 Members are proficient in English. Accordingly, the Class Notice will be printed in English
24 only.

25 42. Gundzik Gundzik Heeger LLP (“GGH”) and Caskey & Holzman (“C&H”)
26 have entered into a written retention agreement with the representative Plaintiff. GGH and
27 C&H have agreed to divide any attorney’s fees awarded in this case. Plaintiff has consented
28

1 to the division of fees. Attached hereto as **Exhibit 2** is a copy of the Division of Fees
2 Agreement signed by Plaintiff.

3 **G. The Settlement Agreement**

4 43. The terms of the Settlement have been memorialized in the Class Action and
5 PAGA Settlement Agreement (“Settlement Agreement”), which is attached hereto as
6 **Exhibit 1**. The Settlement Agreement is based on the Court’s model form. Attached as
7 **Exhibit 3** is a red-lined version of the Settlement Agreement, showing all changes that were
8 made from the model form.

9 **H. Class Definition and Class and Release Period**

10 44. The Class consists of all individuals who were employed by Defendant Sling
11 in California as flight instructors during the Class Period. Ex. 1, § 1.5.

12 45. The Class Period and the Class Release Period are the same. The Class
13 Period is the period from November 14, 2019, through September 16, 2024. Ex. 1, § 1.12.

14 **I. Release of Claims**

15 46. In exchange for the consideration agreed to in the Settlement Agreement,
16 members of the Class will provide releases to Defendant and their related entities. Ex. 1, §§
17 5.1, 5.2, 5.3. The scope of the release will be disclosed to the Class in the proposed Class
18 Notice. See Ex. A to Ex. 1. Any member of the Class who does not like the scope of the
19 release (or the Settlement in general) can preserve his or her individual claims by timely
20 submitting a written request to be excluded from the Settlement and Class. The release to be
21 provided by the named Plaintiff will be broader and encompass all claims that she might
22 have against Defendant. Ex. 1, § 5.1.

23 47. Additionally, regardless of whether they have submitted a valid Request for
24 Exclusion, all PAGA Employees will release the PAGA Released Claims against Defendant
25 and its related entities. Ex. 1, § 7.5.4. Upon entry of the Final Approval Order and Judgment
26 and Defendant’s payment of the Gross Settlement Amount and Employer’s Withholding
27 Share, all PAGA Employees shall fully release and discharge the Released Parties from any
28 and all PAGA Released Claims. *Id.*

1 48. The Release applicable to the Class Members provides:

2 All Participating Class Members, on behalf of themselves and their respective
3 former and present representatives, agents, attorneys, heirs, administrators,
4 successors and assigns, release Released Parties from (i) all claims that were
5 alleged, or reasonably could have been alleged, based on the Class Period
6 facts stated in the Operative Complaint including, any and all claims involving
7 any alleged (a) failure to pay wages; (b) failure to pay minimum wages; (c)
8 failure to provide meal and/or rest breaks; (d) failure to provide legally
9 compliant wage statements; (e) failure to reimburse employees for necessary
10 expenditures; (f) failure to pay all wages owed at time of discharge. Except as
11 set forth in Section 5.3 of this Agreement, Participating Class Members do not
12 release any other claims, including claims for vested benefits, wrongful
13 termination, violation of the Fair Employment and Housing Act,
14 unemployment insurance, disability, social security, workers' compensation or
15 claims based on facts occurring outside the Class Period. Ex. 1, § 5.2.

16 49. The Release applies to all of the Released Parties, who are defined as:
17 "SLING and each of its former and present directors, officers, shareholders, owners,
18 members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and
19 affiliates. Ex. 1, § 1.43.

20 50. The Class Release will be effective upon entry of the Final Approval Order
21 and Judgment and Defendant's payment of the Gross Settlement Amount and Employer's
22 Withholding Share. Ex. 1, § 5.

23 51. The Release applicable to PAGA Employees provides:

24 All Non-Participating Class Members who are Aggrieved Employees are
25 deemed to release, on behalf of themselves and their respective former and
26 present representatives, agents, attorneys, heirs, administrators, successors and
27 assigns, the Released Parties from all claims for PAGA penalties that were
28

1 alleged, or reasonably could have been alleged, based on the PAGA Period
2 facts stated in the Operative Complaint and the PAGA Notice. Ex. 1, § 5.

3 This release also applies to the Released Parties.

4 52. The PAGA Release will be effective upon entry of the Final Approval Order
5 and Judgment and Defendant's payment of the Gross Settlement Amount and Employer's
6 Withholding Share. Ex. 1, § 5.

7 53. Within fifteen (15) days following the Court's order granting preliminary
8 approval of the Settlement, Defendant will provide the Administrator with the Class Data.
9 Ex. 1, § 4.2. Thereafter, the Administrator will provide an anonymized version of the Class
10 Data to Class Counsel. *Id.* The Class Data will remain confidential. Because we will be
11 provided anonymized Class Data, we will be able to fulfill our fiduciary duties to the Class
12 to confirm that the settlement payments are being paid to the correct individuals and in the
13 correct amounts.

14 **K. Defendant's Financial Condition**

15 54. Defendant has contended that it's ability to pay any settlement or judgment is
16 limited due to Defendant's financial condition. For that reason, we have agreed to permit
17 Defendant to pay the amounts owed under the Settlement in two equal payments spaced six
18 months apart. If necessary, Defendant will provide a declaration to the Court explaining its
19 need to fund the settlement in two payments.

20 **L. Monetary Terms**

21 55. Pursuant to the terms of the proposed settlement, Defendant will pay a Gross
22 Settlement Amount of \$630,000, plus the employer's share of withholding taxes. After
23 proposed deductions, as approved by the Court, the Net Settlement Amount will be
24 approximately \$358,300, all of which will be available to distribute to settlement Class
25 Members.

26 56. Pursuant to the terms of the Settlement Agreement, if the Court grants final
27 approval of the Settlement, within sixty calendar days after the Effective Date, Defendant
28 shall deliver 50% of the Gross Settlement Amount to the QSF. Ex. 1, § 4.3. Defendant shall

1 deliver the other 50% of the Gross Settlement Amount plus the Employer's Withholding
2 Share to the Administrator within 180 days of the first payment. *Id.* Pursuant to the
3 Settlement Agreement, the Effective Date is the date of entry of the Court's Final Approval
4 Order if there are no objections to the Settlement). Ex. 1, § 1.20. Within ten (10) calendar
5 days of Defendant's deposit of the fully Gross Settlement Amount, the Administrator will
6 send settlement payments to participating Settlement Class Members, the penalties awarded
7 to the PAGA Employees, the Court-approved Class Representative Service and Release
8 Award, the Court-approved award for Class Counsel's Attorneys' Fees and Class Counsel's
9 Costs, the LWDA Payment, and the fees of the Administrator. Ex. 1, § 4.4.

10 57. The Settlement is conditioned on this Court granting preliminary approval of
11 the Settlement. A [Proposed] Order on Motion for Preliminary Approval of Class Action
12 Settlement ("Preliminary Approval Order") has been filed concurrently with this Motion. If
13 the Court grants preliminary approval, at the final approval hearing, in addition to granting
14 final approval to the settlement, the Court will be asked to approve the following deductions
15 from the Defendant's settlement payment of \$630,000: (a) Class Counsel's attorneys' fees of
16 \$210,000; (b) Class Counsel's actual litigation costs and expenses, not to exceed \$25,000;
17 (c) a Service and Release Awards to Representative Plaintiff Divya Pursley not to exceed
18 \$10,000; (d) an amount not to exceed \$6,700 to the Administrator for administering the
19 settlement; (e) An allocation of \$20,000 to Plaintiff's PAGA claims (the "PAGA
20 Penalties"), seventy-five percent (75%) of which will be paid to the California Labor and
21 Workforce Development Agency (the "LWDA PAGA Payment"), and the remaining
22 twenty-five percent (25%) of which will be distributed to the Aggrieved Employees
23 ("Individual PAGA Payments"). See Ex. 1, § 3.2.

24 58. As compensation for her efforts, the Settlement Agreement provides for a
25 Class Representative Service Payment not to exceed \$10,000. This award is in recognition
26 of the significant time that Ms. Pursley expended pursuing this action and assisting our
27 efforts with the case, and in recognition of the expanded general release that she is required
28 to provide, as part of the Settlement. Ms. Pursley spent a great deal of time consulting with

1 us in order to investigate the facts before we filed the Complaint and other pleadings and
2 consulted with us extensively prior and subsequent to the mediation. She provided us with
3 numerous details about her experience working for Defendant and attended the mediation.
4 She contributed a substantial amount of time meeting with us, reviewing documents,
5 producing documents, attending the mediation, monitoring the progress of the litigation with
6 counsel, and reviewing and signing the Memorandum of Understanding and Settlement
7 Agreement. Plaintiff's presence at the mediation was invaluable, as she was able to provide
8 us a great deal of additional information that was extremely helpful for our negotiations. As
9 an additional requirement to receiving the proposed Class Representative Service Payment,
10 she is required to sign a broad general release which includes a waiver of Section 1542 of
11 the California Civil Code.

12 59. We will be providing support for our request for attorneys' fees along with
13 our anticipated motion for final approval of the settlement and are happy to make our time
14 records available to the Court at that time. And, if we are requesting a multiplier, we will
15 provide sufficient grounds for the application of the multiplier being requested.

16 60. Defendant's share of Employer's Withholding Taxes will be paid by the
17 Defendant in addition to the Gross Settlement Amount. Ex. 1, § 4.3.

18 61. No amount of the Gross Settlement Amount will revert to Defendant. Ex. 1, §
19 3.1.

20 62. The Net Settlement Amount of approximately \$358,300 will be distributed to
21 Class Members based on the Class Period Compensation paid to them by Defendant during
22 the Class Period. The following formula will be used to calculate the settlement payments to
23 be made to Class Members: (Individual Settlement Class Member's Class Period
24 Compensation ÷ All Settlement Class Members' Class Period Compensation) x (Net
25 Settlement Amount). Ex. 1, § 3.2.4. Based on a Class size of 141, the Settlement Class
26 Members will receive on average about \$2,541 (\$358,500 Net Settlement Amount ÷ 141
27 Class Members = \$2,541.13). Once Defendant provides the Class Data to the Administrator,
28 we will be able to refine this amount and determine the average payment to be made to the

1 Class Members. Settlement payments will be paid to the Class Members within 10 days of
2 Defendant's deposit of the full Gross Settlement Amount with the Administrator.

3 63. Payment to each Settlement Class Member will be allocated 20% to wages, to
4 be reported on a W-2 form, 80% to interest and penalties. The portion allocated to interest
5 and penalties will be reported on an IRS Form 1099. Ex. 1, § 3.2.4.1.

6 64. The amount of \$20,000 of the Net Settlement Amount will be allocated to
7 Plaintiff's PAGA claims (the "PAGA Penalties"), seventy-five percent (75%) of which will
8 be paid to the California Labor and Workforce Development Agency (the "LWDA PAGA
9 Payment"), and the remaining twenty-five percent (25%) of which will be distributed to the
10 Aggrieved Employees (the "Individual PAGA Payments"). Ex. 1, § 3.2.5. The Individual
11 PAGA Payments totaling \$12,500 will be divided among and distributed to all Aggrieved
12 Employees based upon the number of qualifying pay periods that they worked during the
13 PAGA Period. Ex. 1, § 3.2.5.1. The following formula will be used to calculate the
14 settlement payments to be made to PAGA Employees: (Individual PAGA Employee's
15 PAGA Pay Periods ÷ All PAGA Employees' PAGA Pay Periods) x \$12,500. *Id.*. Settlement
16 Class Members who are also Aggrieved Employees may receive their Individual PAGA
17 Payment in the same check that include their individual Settlement Class Member payment.
18 Class Members who exclude themselves from the Class Settlement will still receive their the
19 Individual PAGA Payment and such Class Members will still be bound by the PAGA
20 Release, notwithstanding their exclusion from the Settlement Class. Ex. 1, § 7.5.4. Payments
21 made under the PAGA Settlement will be treated as penalties. Ex. 1, § 3.2.5.2.

22 **M. Notice Administration**

23 65. Under the terms of the proposed settlement, the settlement will be
24 administered by Phoenix Settlement Administrators ("Administrator"). Ex. 1, § 1.2. The
25 qualifications and experience of the Administrator are detailed in the Declaration of Jodey
26 Lawrence submitted concurrently with this Motion.

27 66. If the Court grants preliminary approval of the settlement, within fifteen (15)
28 calendar days Defendant will provide the Administrator with the names, social security

1 numbers, last known addresses, and telephone numbers for each Class Member and the
2 number of workweeks worked and compensation earned by each Class Member in a Class
3 position during the Class Period and number of pay periods worked by Aggrieved
4 Employees during the PAGA Period. Ex. 1, § 4.2.

5 67. The Administrator will update the Class list prior to mailing the Class Notice
6 by checking all addresses against the National Change of Address database. Ex. 1, § 7.4.2.

7 68. Within ten (10) calendar days of receiving the Class Data, the Administrator
8 will send to each Class Member via First-Class United States mail an English version of the
9 Class Notice to the most recent address known for each Class Member. Ex. 1, ¶ 7.4.2. No
10 submission of a claim form is necessary, and all Class members are eligible to receive a
11 settlement payment except those who follow the procedure for requesting an exclusion. Ex.
12 1, § 7.4.2.

13 69. The parties have negotiated a proposed form of the Class Notice, a copy of
14 which is attached as Exhibit A to the Settlement Agreement. The proposed notice discloses
15 the pendency of this litigation, summarizes the allegations against Defendant, defines the
16 Class, describes the consideration that Defendant will provide in settlement along with an
17 estimate of each Class Member's estimated recovery. The notice also describes the claims
18 that will be released and explains the procedures to be used by members of the class to be
19 excluded from or object to the settlement.

20 70. My firm has met and conferred with counsel for Defendant, and we have
21 determined that disseminating the Class Notice by mail to the Class Members is the best
22 way to maximize its reach. Because this is an opt-out settlement and Class Members who
23 do nothing will still receive a settlement payment, the notice provisions agreed to by the
24 parties will adequately serve the stakes of the individual Class Members in receiving the
25 relief provided by the settlement and adequately comply with California Rules of Court,
26 Rule 3.766(e).

27 71. Payments to Settlement Class Members will be processed by check paid to
28 the order of the individual Class Members. Pursuant to the terms of the Settlement

1 Agreement, Class Member settlement checks will be valid for 180 days from issuance. Class
2 Members who have not cashed their checks within 60 days of issuance will be reminded of
3 the 180-day deadline by the Administrator. The reminders will be by mail, telephone or
4 email. Class Member checks not cashed within 180 days will be voided and a stop payment
5 order may be placed on the check. In such event, the Settlement nevertheless will be
6 binding upon the Settlement Class Member. The funds represented by all uncashed
7 settlement checks will be transmitted by the Administrator to the California State
8 Controller's Office Unclaimed Property Fund. Ex. 1, ¶ 4.4.3.

9 72. If there is a change in the date or location of the Final Approval hearing, the
10 Administrator will post this change on the settlement payment website that it will establish.
11 There will not be a publication notice, as Class Members will be provided with an individual
12 Class Notice which will include the phone number and email address for the Administrator,
13 as well as the website specific to the Settlement. Ex. 1, § 7.8.1.

14 73. Notice of the Final Judgment and Final Approval Order will be posted on the
15 Administrator's website to satisfy the requirements of Rule of Court 3.771(b).

16 **N. Responses to Class Notice**

17 74. Any member of the Class who wishes to be excluded from the settlement
18 must submit by mail a written request to be excluded to the Administrator, which must be
19 postmarked no later than forty-five (45) days after the Class Notice is mailed by the
20 Administrator. Ex. 1, §§ 1.45, 7.5. Any Class Member wishing to object to the approval of
21 the Settlement must send a written statement of objection to the Administrator no later than
22 forty-five (45) days after the Class Notice is mailed by the Administrator. Ex. 1, §§ 1.45,
23 7.7.

24 75. All Class Notices returned as being undeliverable will be re-mailed within
25 three business days of the date that Class Notices were originally returned as undeliverable.
26 Ex. 1, § 7.4.3. For Class Notices that are re-mailed to a different address, the Response
27 Deadline will be the earlier of: (1) 45 days after re-mailing, and (2) ten days before the
28 initial date set by the Court for the Final Fairness and Approval Hearing. Ex. 1, § 1.45. Thus,

1 Class Members whose Notices of Settlement will have sufficient time to file a Request for
2 Exclusion or Objection to the Settlement.

3 **O. Requested Exhibits**

4 76. Attached hereto in **Exhibit 4** is a true and correct copy of the proof of
5 submission of the proposed settlement agreement to the California Labor and Workforce
6 Development Agency.

7 **P. Other Matters**

8 77. Neither I nor anyone in my law firm is aware of any actual or potential
9 conflicts of interest with any of the Class Members.

10 78. Neither I nor anyone in my firm has any actual or potential conflicts of
11 interest with the Administrator, Phoenix Settlement Administrators.

12 79. Defendant's counsel has advised me that there are no other pending actions
13 asserting claims that will be extinguished or adversely affected by the proposed settlement
14 that is the subject of this motion.

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

17 DATED: October 29, 2024

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19 

20 _____
Aaron C. Gundzik

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EXHIBIT 1
(Settlement Agreement)

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Divya Pursley (“Plaintiff”) and defendant Sling Flying Club, LLC (“SLING”). The Agreement refers to Plaintiff and SLING collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against SLING captioned *Pursley v. Sling Flying Club, LLC*, Case No. 23STCV-27865, initiated on November 14, 2023, and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2 “Administrator” means Phoenix Settlement Administrators (“PSA”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means a person employed by SLING in California and classified as a Flight Instructor who worked for SLING during the PAGA Period.
- 1.5 “Class” means all persons employed by SLING in California and classified as Flight Instructors who worked for SLING during the Class Period.
- 1.6 “Class Counsel” means Aaron Gundzik and Rebecca Gundzik of Gundzik Gundzik Heeger LLP and Dan Holzman of Caskey & Holzman.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in SLING’s possession including the Class Member’s name, last-known mailing address, Social Security number, and amount of Class Period Compensation, Class Period Workweeks and PAGA Pay Periods.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10 “Class Member Address Search” means the Administrator’s investigation and

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

- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from November 14, 2019, through September 16, 2024. Provided, however, the Class Period end date may be revised pursuant to Section 8 of the Agreement.
- 1.13 “Class Period Compensation” means the total compensation that SLING paid to a Class Member while in the job position of Flight Instructor during the Class Period.
- 1.14 “Class Period Workweeks” means the number of weeks during the Class Period in which a Class Member worked for at least one day in a Class position.
- 1.15 “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.16 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.17 “Court” means the Superior Court of California, County of Los Angeles.
- 1.18 “SLING” means named Defendant Sling Flying Club, LLC.
- 1.19 “Defense Counsel” means Joshua D. Carlon of Atkinson, Andelson, Loya, Ruud & Romo.
- 1.20 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.21 “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.22 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

- 1.23 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.
- 1.24 “Gross Settlement Amount” means \$630,000 which is the total amount SLING agrees to pay under the Settlement except as provided in Paragraph 8 below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.
- 1.25 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the Class Member’s Class Period Compensation during the Class Period.
- 1.26 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of Pay Periods worked during the PAGA Period.
- 1.27 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.28 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).
- 1.29 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.30 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.31 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.32 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for SLING for at least one day during the PAGA Period.
- 1.33 “PAGA Period” means the period from November 14, 2022, through September 16, 2024. Provided, however, the PAGA Period end date may be revised pursuant to Section 8 of the Agreement.
- 1.34 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).

- 1.35 “PAGA Notice” means Plaintiff’s November 14, 2023, letter to SLING and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).
- 1.36 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000) and 75% to the LWDA (\$15,000) in settlement of PAGA claims.
- 1.37 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.38 “Plaintiff” means Divya Pursley, the named plaintiff in the Action.
- 1.39 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.40 “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.41 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.42 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.43 “Released Parties” means SLING and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and affiliates.
- 1.44 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.45 “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion from the Settlement, or (b) fax, email or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline.
- 1.46 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

2. RECITALS.

- 2.1 On November 14, 2023, Plaintiff commenced this Action by filing a Complaint against SLING. On January 19, 2024, Plaintiff filed a First Amended Complaint

alleging causes of action against SLING for (1) failure to pay wages earned; (2) failure to pay overtime; (3) failure to provide meal and rest breaks; (4) non-compliant wage statements; (5) failure to reimburse for necessary expenses; (6) violation of California Business & Professions Code sections 17200, et seq.; (7) failure to pay final wages; and (8) for recovery of civil penalties under PAGA. The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). SLING denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

- 2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to SLING and the LWDA by sending the PAGA Notice.
- 2.3 On July 18, 2024, the Parties participated in an all-day mediation presided over by Michael Loeb, Esq. which led to this Agreement to settle the Action.
- 2.4 Prior to mediation, Plaintiff obtained, through informal discovery, all applicable policy documents and time and pay records for approximately 20% of the Class. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).
- 2.5 The Court has not granted class certification.
- 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. MONETARY TERMS.

- 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, SLING promises to pay \$630,000 and no more as the Gross Settlement Amount and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. SLING has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to SLING.
- 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:
 - 3.2.1 To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000 (in addition to any Individual Class

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

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be \$210,000, and a Class Counsel Litigation Expenses Payment of not more than \$25,000. SLING will not oppose requests for these payments provided that they do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment of less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds SLING harmless, and indemnifies SLING, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed \$6,700 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than \$6,700, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be

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

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the total amount of \$20,000 to be paid from the Gross Settlement Amount, with 75% (\$15,000) allocated to the LWDA PAGA Payment and 25% (\$5,000) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties (\$5,000) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s individual PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, SLING estimates there are 141 Class Members who collectively worked a total of 6,928 Workweeks, and 105 Aggrieved Employees who worked a total of 4,500 PAGA Pay Periods.

4.2 Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, SLING will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in

confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Administrator will send the Class Data to Class Counsel, after first anonymizing the Class Data, such that Class Counsel does not receive Class Member names, social security numbers or contact information. SLING has a continuing duty to immediately notify Class Counsel and the Administrator if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which SLING must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3 Funding of Gross Settlement Amount. SLING shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay SLING's share of payroll taxes by transmitting the funds to the Administrator in two equal installments or \$315,000 (with SLING's share of payroll taxes included with the second installment): the first installment shall be funded no later than 60 days after the Effective Date, and the second installment shall be funded no later than 180 days after the first installment.

- 4.4 Payments from the Gross Settlement Amount. Within ten (10) days after SLING fully funds the Gross Settlement Amount and SLING's share of payroll taxes, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.

- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States Postal Service (“USPS”) forwarding address. Within seven (7) days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller’s Unclaimed Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subdivision (b).
- 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate SLING to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when SLING fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

- 5.1 Plaintiff’s and SLING’s Mutual Release. Plaintiff and his, her, or their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns and SLING generally, release and discharge each other and the Released Parties from all claims, transactions or occurrences, including, but not limited to: all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff’s PAGA Notice; and (c) all claims for amounts owed or paid to SLING for flight training hours. (“Mutual Release.”) The Mutual Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time. The Parties acknowledge that they may discover facts or law different from, or in addition to, the facts or law that they now know or believes to be true but agrees, nonetheless, that the Mutual Release shall be and remain effective in all respects, notwithstanding such different or additional facts or the Parties’ discovery of them.

- 5.1.1 Waiver of Rights Under Civil Code Section 1542. For purposes of the Mutual Release, each Party expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

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

- 5.2 Release by Participating Class Members Who Are Not Aggrieved Employees. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including, any and all claims involving any alleged (a) failure to pay wages; (b) failure to pay minimum wages; (c) failure to provide meal and/or rest breaks; (d) failure to provide legally compliant wage statements; (e) failure to reimburse employees for necessary expenditures; (f) failure to pay all wages owed at time of discharge. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation or claims based on facts occurring outside the Class Period.
- 5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

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

- 6.1 SLING's Declaration in Support of Preliminary Approval. Within 30 days of the full execution of this Agreement, SLING will prepare and deliver to Class Counsel a signed Declaration from SLING and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator. In their Declarations, Defense Counsel and SLING shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Lab. Code, § 2699.3, subd. (a))), Operative Complaint (Lab. Code, § 2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members and/or the Administrator. In their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.
- 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than 30 days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1 Selection of Administrator. The Parties have jointly selected Phoenix Settlement Administrators (“PSA”) to serve as the Administrator and verified that, as a condition of appointment, PSA agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2 Employer Identification Number. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports state and federal tax authorities.
- 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation section 468B-1.
- 7.4 Notice to Class Members.
- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Class Member Compensation, Workweeks and PAGA Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than ten (10) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the amount of Class Period Compensation and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than three (3) business days after the Administrator’s receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

- 7.4.4 The deadlines for Class Members' written objections, Challenges to Class Period Compensation and/or Pay Periods and Requests for Exclusion will be extended an additional 14 days beyond the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, SLING or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5 Requests for Exclusion (Opt-Outs).

- 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her/their representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number and the last four digits of the Class Member's social security number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge, except by the Court.
- 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under

Paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

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

7.7 Objections to Settlement.

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

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present oral objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline.

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

- 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.
- 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
- 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Class Period Compensation and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 Class Period Compensation and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Class Period Compensation and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge, except by the Court.
- 7.8.5 Administrator’s Declaration. Not later than 14 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a

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

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

8. **CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE.** Based on its records, SLING estimates that, as of the date of this Settlement Agreement, (1) there are 141 Class Members and 6,928 total Class Period Workweeks ("Represented Workweeks) and (2) there were 105 Aggrieved Employees who worked 4,500 Pay Periods during the PAGA Period. If the total number of Class Period Workweeks, as reported by Defendant to the Administrator in the Class Data, exceeds 110% of the Represented Workweeks, the Gross Settlement Amount shall increase by the same percentage that the total Class Period Workweeks exceeds 110% of the Represented Workweeks, or alternatively Defendant can end the Class Period and PAGA Period on a date prior to September 16, 2024 in order to limit the Represented Workweeks to a number lower than 110% of the amount above.
9. **SLING'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, SLING may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if SLING withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, SLING will remain responsible for paying all Settlement Administration Expenses incurred to that point. SLING must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven calendar days prior to filing the Motion

for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.
- 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment set forth in this Settlement, the Parties, their respective counsel and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.
- 10.5 Appellate Court Orders to Vacate, Reverse or Materially Modify Judgment. If the reviewing Court vacates, reverses or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur. An appellate decision to vacate, reverse or

modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. **ADDITIONAL PROVISIONS.**

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

12.2 Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, SLING and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency or other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, SLING and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.
- 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and SLING, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, SLING nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be

governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.

- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by SLING in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from SLING unless, prior to the Court's discharge of the Administrator's obligation, SLING makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 12.16 Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

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To SLING:

Joshua Carlon

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Atkinson, Andelson, Loya, Ruud & Romo

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(626)-583-8600

- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 10/09/2024, 2024

Divya Pursley
Divya Pursley (Oct 9, 2024 14:56 PDT)
Plaintiff Divya Pursley

Dated: 10/21, 2024

Defendant Sling Flying Club LLC

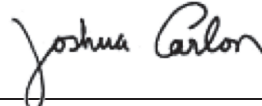
By: Matthew Llknaitzky

Its: Co-CEO

Approved as to form:

DATED: 10/18, 2024

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

By: 
Joshua D. Carlon
Attorneys for Defendant Sling Flying Club LLC

DATED: October 8, 2024

GUNDZIK GUNDZIK HEEGER LLP

By: 
Aaron Gundzik
Attorney for Plaintiff

DATED: 10/09/2024

CASKEY & HOLZMAN

By: 
Daniel M. Holzman
Attorney for Plaintiff

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

Pursley v Sling Flying Club LLC, Case No. 23STCV-27865

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Sling Flying Club, LLC (abbreviate name; “SLING” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a former SLING employee Divya K. Pursley (“Plaintiff”) and seeks payment of (1) back wages and other relief for a class of flight instructors (“Class Members”) who worked for SLING during the Class Period (November 14, 2019 through _____); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all flight instructors who worked for SLING during the PAGA Period (November 14, 2022 through _____) (“Aggrieved Employees”).

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

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

The above estimates are based on SLING’s records showing that **you earned \$_____** from SLING during the Class Period and **you worked _____ pay periods** during the PAGA Period. If you believe that you earned more compensation during the Class Period, or worked more pay periods during the PAGA Period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires SLING to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against SLING.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against SLING that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 45 days from mailing	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. SLING must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by 45 days from mailing	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or

	Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Class Period Compensation/PAGA Pay Periods Written Challenges Must be Submitted by 45 days from mailing	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how much Class Period Compensation you received and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The Class Period Compensation and number of PAGA Period Pay Periods you worked according to SLING's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by 45 days from mailing. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former SLING employee. The Action accuses SLING of violating California labor laws by, among other things, failing to pay overtime wages, minimum wages, wages due upon termination and reimbursable expenses and failing to provide meal periods, rest breaks and accurate itemized wage statements to flight instructors. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Aaron Gundzik and Rebecca Gundzik of Gundzik Gundzik Heeger LLP and Dan Holzman of Caskey & Holzman ("Class Counsel").

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

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

So far, the Court has made no determination whether SLING or Plaintiff is correct on the merits. In the meantime, Plaintiff and SLING hired an experienced, neutral mediator in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and SLING have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, SLING does not admit any violations or concede the merit of any claims.

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

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

1. SLING Will Pay \$630,000 as the Gross Settlement Amount (Gross Settlement).
SLING has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, SLING will fund the Gross Settlement in two equal installments – with the first half due 60 days after the Court enters Judgment, and the second installment due 180 days after the first installment.
2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to one-third of the Gross Settlement Amount to Class Counsel for attorneys' fees and up to \$25,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10,000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$6,700 to the Administrator for services administering the Settlement.
 - D. Up to \$20,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Compensation
4. Taxes Owed on Payments to Class Members. Plaintiff and SLING are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. SLING will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

If the monies represented by your check is sent to the Controller’s Unclaimed Property fund, you should consult the rules of the fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than **45 Days from mailing**, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the **45 days from mailing** Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against SLING.

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

alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and SLING have agreed that, in either case, the Settlement will be void: SLING will not pay any money and Class Members will not release any claims against SLING.
8. Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over Class Period Compensation or PAGA Pay Periods, mail and re- mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release. After the Judgment is final and SLING has fully funded the Gross Settlement and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against SLING or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint including, any and all claims involving any alleged (a) failure to pay wages; (b) failure to pay minimum wages; (c) failure to provide meal and/or rest breaks; (d) failure to provide legally compliant wage statements; (e) failure to reimburse employees for necessary expenditures; (f) failure to pay all wages owed at time of discharge. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation or claims based on facts occurring outside the Class Period.

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

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

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

All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notice.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total amount of compensation that SLING paid to all Participating Class Members during the Class Period, and (b) multiplying the result by the total compensation that SLING paid to each individual Participating Class Member during the Class Period.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$5,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Compensation/Pay Period Challenges. The amount of compensation that SLING paid you during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in SLING's records, are stated in the first page of this Notice. You have until **45 days from mailing** to challenge the amount of Class Period Compensation and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept SLING's calculation of compensation and/or PAGA Pay Periods based on SLING's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve compensation and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and SLING's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Pursley v Sling Flying Club LLC*, Case No. 23STCV-27865, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by 45 days from mailing, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and SLING are asking the Court to approve. At least 21 days before the ___Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website TO BE INSERTED or the Court's website: www.LACourt.org.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is 45 days from mailing.** Be sure to tell the Administrator what you object to, why you object and any facts that support your objection. Make sure you identify the Action *Pursley v*

Sling Flying Club LLC, Case No. 23STCV-27865, and include your name, current address, telephone number and approximate dates of employment for SLING and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at ____ (time) in Department 7 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything SLING and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at _____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org>) and entering the Case Number for the Action, Case No. 23STCV-27865. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:

Aaron C. Gundzik
Aaron.gundzik@gghllp.com
Rebecca Gundzik
Rebecca.gundzik@gghllp.com
Gundzik Gundzik Heeger LLP
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Sherman Oaks, CA 91423
Telephone: (818) 290-7461

Daniel M. Holzman
DHolzman@CaskeyHolzman.com
Caskey & Holzman
24025 Park Sorrento, Ste. 400
Calabasas, CA 91302
Telephone: (818) 657-1070

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund <https://ucpi.sco.ca.gov> for instructions on how to retrieve the funds

11. WHAT IF I CHANGE MY ADDRESS?

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

Settlement Agreement (Pursley v Sling) (final 10.8)

Final Audit Report

2024-10-09

Created:	2024-10-09
By:	Caskey Holzman (kenya@caskeyholzman.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAARKuj08-_qLydp1XVPyPXJCshaNo-frGy

"Settlement Agreement (Pursley v Sling) (final 10.8)" History

-  Document created by Caskey Holzman (kenya@caskeyholzman.com)
2024-10-09 - 3:11:42 PM GMT- IP address: 104.180.14.250
-  Document emailed to dkp47@protonmail.com for signature
2024-10-09 - 3:11:49 PM GMT
-  Email viewed by dkp47@protonmail.com
2024-10-09 - 3:11:53 PM GMT- IP address: 194.126.177.7
-  Signer dkp47@protonmail.com entered name at signing as Divya Pursley
2024-10-09 - 9:56:19 PM GMT- IP address: 99.28.217.86
-  Document e-signed by Divya Pursley (dkp47@protonmail.com)
Signature Date: 2024-10-09 - 9:56:21 PM GMT - Time Source: server- IP address: 99.28.217.86
-  Agreement completed.
2024-10-09 - 9:56:21 PM GMT

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EXHIBIT 2
(Division of Fees Agreement)

AGREEMENT REGARDING THE DIVISION OF ATTORNEYS' FEES

Client **Divya Khiatani Pursley** entered into engagement agreement with the law firms of Gundzik Gundzik Heeger LLP and Caskey & Holzman ("Attorneys") for the purpose of representing Client in a class or other action against **Sling Flying Club LLC**.

Attorneys and Clients agree and acknowledge that any attorneys' fees recovered in connection with such representation will be divided between Attorneys as follows: sixty percent (60%) will be paid to Gundzik Gundzik Heeger LLP and forty percent (40%) will be paid to Caskey & Holzman.

Dated: 11/7/23

GUNDZIK GUNDZIK HEEGER LLP



Aaron C. Gundzik

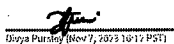
Dated: 11/07/2023

CASKEY & HOLZMAN



Daniel Holzman

Dated: Nov 7, 2023


Divya Pursley (Nov 7, 2023 10:17 PST)

Divya Khiatani Pursley, Client

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EXHIBIT 3
(Red-Lined Settlement Agreement)

~~[MODEL]~~ CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND CLASS NOTICE¹

This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between plaintiff Divya Pursley (“Plaintiff”) and defendant ~~“(XYZ)”~~, Sling Flying Club, LLC (“SLING”). The Agreement refers to Plaintiff and ~~XYZ~~SLING collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against ~~XYZSLING~~ captioned Pursley v. Sling Flying Club, LLC, Case No. 23STCV-27865, initiated on November 14, 2023, and pending in the Superior Court of the State of California, County of Los Angeles.
- 1.2 “Administrator” means Phoenix Settlement Administrators (“PSA”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary Approval of the Settlement.
- 1.4 “Aggrieved Employee” means ~~[e.g.,]~~ a person employed by ~~XYZSLING~~ in California and classified as a Flight Instructor who worked for ~~XYZSLING~~ during the PAGA Period~~].~~
- 1.5 “Class” means ~~[define class, e.g.,]~~ all persons employed by ~~XYZSLING~~ in California and classified as Flight Instructors who worked for ~~XYZSLING~~ during the Class Period~~].~~
- 1.6 “Class Counsel” means Aaron Gundzik and Rebecca Gundzik of Gundzik Gundzik Heeger LLP and Dan Holzman of Caskey & Holzman.
- 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8 “Class Data” means Class Member identifying information in ~~XYZ’s~~SLING’s possession including the Class Member’s name, last-known mailing address, Social Security number, and ~~number of~~amount of Class Period Compensation, Class Period Workweeks and PAGA Pay Periods.
- 1.9 “Class Member” or “Settlement Class Member” means a member of the Class, as

either a Participating Class Member or Non-Participating Class Member (including a Non- Participating Class Member who qualifies as an Aggrieved Employee).

~~1.10~~ —“Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of

~~1.10~~ Address database, skip traces, and direct contact by the Administrator with Class Members.

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

1.12 “Class Period” means the period from _____ to _____, ⁱⁱ November 14, 2019, through September 16, 2024. Provided, however, the Class Period end date may be revised pursuant to Section 8 of the Agreement.

1.13 “Class Period Compensation” means the total compensation that SLING paid to a Class Member while in the job position of Flight Instructor during the Class Period.

1.14 “Class Period Workweeks” means the number of weeks during the Class Period in which a Class Member worked for at least one day in a Class position.

~~1.13~~ 1.15 “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.

~~1.14~~ 1.16 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

~~1.15~~ 1.17 “Court” means the Superior Court of California, County of Los Angeles.

~~1.16~~ 1.18 “XYZSLING” means named Defendant _____ Sling Flying Club, LLC.

~~1.17~~ 1.19 “Defense Counsel” means _____ Joshua D. Carlon of Atkinson, Andelson, Loya, Ruud & Romo.

~~1.18~~ 1.20 “Effective Date” means the date by when both of the following have occurred:
(~~a~~) (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

~~1.19~~ 1.21 “Final Approval” means the Court’s order granting final approval of the Settlement.

~~1.20~~ 1.22 “Final Approval Hearing” means the Court’s hearing on the Motion for

Final Approval of the Settlement.

~~1.21~~1.23 “Final Judgment” means the Judgment Entered by the Court upon Granting Final Approval of the Settlement.

~~1.22~~1.24 “Gross Settlement Amount” means \$630,000 which is the total amount ~~XYZSLING~~ agrees to pay under the Settlement except as provided in Paragraph ~~98~~ below. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator’s Expenses.

~~1.23~~1.25 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the ~~number of Workweeks worked~~ Class Member’s Class Period Compensation during the Class Period.

~~1.24~~1.26 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 25% of the PAGA Penalties calculated according to the number of ~~Workweeks~~ Pay Periods worked during the PAGA Period.

~~1.25~~1.27 “Judgment” means the judgment entered by the Court based upon the Final Approval.

~~1.26~~1.28 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).

~~1.27~~1.29 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

~~1.28~~1.30 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

~~1.29~~1.31 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.

~~1.30~~1.32 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for ~~XYZSLING~~ for at least one day during the PAGA Period.

~~1.31~~1.33 “PAGA Period” means the period from November 14, 2022, through September 16, 2024. Provided, however, the PAGA Period end date may be revised pursuant to _____. ⁱⁱⁱ Section 8 of the Agreement.

~~1.32~~1.34 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698 et seq.).

~~1.33~~1.35 “PAGA Notice” means Plaintiff’s November 14, 2023, letter to ~~XYZSLING~~ and the LWDA ~~[and Plaintiff’s letter to XYZ and the LWDA]~~ providing notice pursuant to Labor Code section 2699.3, subdivision (a).

~~1.34~~ — “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees

1.36 ~~(_____ (\$5,000))~~ and ~~the~~ 75% to the LWDA ~~(—(\$15,000))~~ in settlement of PAGA

claims.

~~1.35~~1.37 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

~~1.36~~1.38 _____ “Plaintiff” means ~~_____~~Divya Pursley, the named plaintiff in the Action.

~~1.37~~1.39 _____ “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

~~1.38~~1.40 _____ “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.

~~1.39~~1.41 _____ “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

~~1.40~~1.42 _____ “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

~~1.41~~1.43 _____ “Released Parties” means ~~XYZSLING~~ and each of its former and present directors, officers, shareholders, owners, ~~{members},~~ attorneys, insurers, predecessors, successors, assigns ~~{, subsidiaries} {, and affiliates},~~

~~1.42~~1.44 _____ “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

~~1.43~~1.45 _____ “Response Deadline” means ~~{e.g., 60}~~45 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion from the Settlement, or (b) fax, email or mail his, her, or their Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline ~~has expired.~~

~~1.44~~1.46 _____ “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

~~1.45 _____ “Workweek” means any week during which a Class Member worked for XYZ for at least one day, during the Class Period.^{iv}~~

2. RECITALS.

2.1 On ~~_____~~November 14, 2023, Plaintiff commenced this Action by filing a Complaint ~~against SLING. On January 19, 2024, Plaintiff filed a First Amended Complaint~~ alleging causes of action against ~~XYZSLING~~ for ~~_____~~.
~~{The(1) failure to pay wages earned; (2) failure to pay overtime; (3) failure to provide meal and rest breaks; (4) non-compliant wage statements; (5) failure to reimburse for necessary expenses; (6) violation of California Business & Professions Code sections 17200, et seq.; (7) failure to pay final wages; and (8) for recovery of civil penalties under PAGA. The First Amended~~ Complaint is the

operative complaint in the Action (the “Operative Complaint.”) ~~{On _____, Plaintiff filed a [e.g., First Amended Complaint] alleging causes of action against XYZ for _____. The [e.g., First Amended] Complaint is the operative complaint in the Action (the “Operative Complaint”).} XYZ~~). SLING denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to XYZSLING and the LWDA by sending the PAGA Notice.

2.3 On July 18, 2024, the Parties participated in an all-day mediation presided over by Michael Loeb, Esq. which led to this Agreement to settle the Action ~~for or describe alternative means of negotiation~~.
(describe alternative means of negotiation)

~~2.4~~ Prior to ~~mediation negotiating the Settlement~~, Plaintiff obtained, through

~~2.4~~ ~~formal informal~~ discovery, ~~(documents, testimony and information obtained)~~ all applicable policy documents and time and pay records for approximately 20% of the Class. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").

2.5 The Court ~~has has not~~ granted class certification.
(insert details as needed)

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

3. MONETARY TERMS.

3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, XYZSLING promises to pay \$ 630,000 and no more as the Gross Settlement Amount ~~and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments.~~ XYZ, SLING has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement.* The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to XYZSLING.

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

~~3.2.1~~ To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$ 10,000 (in addition to any Individual Class Payment ~~and any Individual PAGA Payment~~ the Class Representative is entitled to receive as a Participating Class Member). XYZSLING

| will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no

3.2.1 later than ~~{16 court}~~ days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than ~~_____%~~one-third of the Gross Settlement Amount, which is currently estimated to be \$~~____~~210,000, and a Class Counsel Litigation Expenses Payment of not more than \$~~____~~25,000. ~~SLING~~ will not oppose requests for these payments provided that ~~they~~ do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than ~~{16 court}~~ days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment of less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds ~~XYZSLING~~ harmless, and indemnifies ~~XYZSLING~~, from any dispute or controversy regarding any division or sharing of any of these Payments.

~~3.2.3~~ To the Administrator: An Administrator Expenses Payment not to exceed \$6,700 except for a showing of good cause and as approved by the Court. To the extent the Administration Expenses are less, or the Court approves payment less than \$~~____~~6,700, the Administrator will retain the remainder in the Net Settlement Amount.

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

3.2.4.1 Tax Allocation of Individual Class Payments. ~~____~~20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on

an IRS W-2 Form. The ~~_____~~remaining 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for ~~{e.g., interest and penalties}~~ (the "Non-Wage Portion").^{vi} The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

~~3.2.5~~ To the LWDA and Aggrieved Employees: PAGA Penalties in the total amount of \$ ~~20,000~~ to be paid from the Gross Settlement Amount, with 75%

~~3.2.5~~ (~~\$15,000~~) allocated to the LWDA PAGA Payment and 25% (~~\$5,000~~) allocated to the Individual PAGA Payments.

~~3.2.4.1~~3.2.5.1 T
he Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's individual PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

~~3.2.4.2~~3.2.5.2 If
the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

- 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, XYZSLING estimates there are 141 Class Members who collectively worked a total of 6,928 Workweeks, and 105 Aggrieved Employees who worked a total of 4,500 PAGA Pay Periods.
- 4.2 Class Data. Not later than [e.g., 15] days after the Court grants Preliminary Approval of the Settlement, XYZSLING will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. XYZThe Administrator will send the Class Data to Class Counsel, after first anonymizing the Class Data, such that Class Counsel does not receive Class Member names, social

security numbers or contact information. SLING has a continuing duty to immediately notify Class Counsel and the Administrator if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which ~~XYZ~~SLING must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3 Funding of Gross Settlement Amount. ~~XYZ~~SLING shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay ~~XYZ's~~SLING's share of payroll taxes by transmitting the funds to the Administrator in two equal installments or \$315,000 (with SLING's share of payroll taxes included with the second installment): the first installment shall be funded no later than ~~[14]~~60 days after the Effective Date, and the second installment shall be funded no later than 180 days after the first installment.
- 4.4 Payments from the Gross Settlement Amount. Within ~~[14]~~ten (10) days after ~~XYZ~~SLING fully funds the Gross Settlement Amount and SLING's share of payroll taxes, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments.
- 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without United States Postal Service ("USPS") forwarding address. Within ~~[seven (7)]~~ days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

- 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks ~~to the California Controller’s Unclaimed Property Fund in the name of the Class Member thereby leaving no “unpaid residue” subject to the requirements of Code of Civil Procedure section 384, subdivision (b).~~ ~~For to a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure section 384, subdivision (b) (“Cy”).~~

Pres Recipient”)_____. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient.

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

5. **RELEASES OF CLAIMS.** Effective on the date when XYZSLING fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 — Plaintiff’s and SLING’s Mutual Release. Plaintiff and his, her, or their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors and assigns and SLING generally, release and discharge each other and the Released Parties from all claims, transactions or occurrences ~~that occurred during the Class Period~~, including, but not limited to:

~~(a)~~ 5.1 all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint ~~and~~; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, Plaintiff’s PAGA Notice, ~~for ascertained during the Action~~; and released under 5.2, below. (“Plaintiff’s(c) all claims for amounts owed or paid to SLING for flight training hours. (“Mutual Release.”) Plaintiff’sThe Mutual Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers’ compensation benefits that arose at any time, ~~or based on occurrences outside the Class Period~~. Plaintiff acknowledges. The Parties acknowledge that Plaintiffthey may discover facts or law different from, or in addition to, the facts or law that Plaintiffthey now knowsknow or believes to be true but agrees, nonetheless, that Plaintiff’sthe Mutual Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiff’sthe Parties’ discovery of them.

5.1.1 Plaintiff’s Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiff’sthe Mutual Release, Plaintiffeach Party expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

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

~~5.2~~ Release by Participating Class Members Who Are Not Aggrieved Employees:

. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have

5.2 been alleged, based on the Class Period facts stated in the Operative Complaint ~~and ascertained in the course of the Action~~ [including, e.g., “(a) any and all claims involving any alleged (a) failure to pay wages; (b) failure to pay minimum wages; (c) failure to provide meal and/or rest breaks; (d) failure to provide legally compliant wage; etc.]. statements; (e) failure to reimburse employees for necessary expenditures; (f) failure to pay all wages owed at time of discharge. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation or claims based on facts occurring outside the Class Period.

5.3 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint[,] ~~and the PAGA Notice and ascertained in the course of the Action~~ [including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage; etc.]. and the PAGA Notice.

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

6.1 XYZ’sSLING’s Declaration in Support of Preliminary Approval. Within 30 days of the full execution of this Agreement, XYZSLING will prepare and deliver to Class Counsel a signed Declaration from XYZSLING and Defense Counsel disclosing all facts relevant to any actual or potential conflicts of interest with the Administrator ~~and Cy Pres Recipient.~~ In their Declarations, Defense Counsel and XYZSLING shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

~~6.2~~ Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar* and a request for approval of the PAGA Settlement under Labor Code section 2699, subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its “not to exceed” bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members ~~and/or the proposed Cy Pres~~; and the nature and extent of any financial

relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, ~~{and/or}~~ the Administrator ~~{and/or the proposed Cy Pres}~~; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely

6.2 transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Lab. Code, § 2699.3, subd. (a))), Operative Complaint (Lab. Code, § 2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); (vii) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the Administrator ~~and/or the Cy Pres Recipient.~~ In their Declarations, Plaintiff and Class Counsel-~~Declaration~~ shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

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

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

7. SETTLEMENT ADMINISTRATION.

~~7.1~~ Selection of Administrator. The Parties have jointly selected -
Phoenix Settlement Administrators ("PSA") to serve as the Administrator and verified that, as a condition of appointment,

7.1 - PSA agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

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

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

Regulation section 468B-1.

7.4 Notice to Class Members.

- 7.4.1 No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Class Member Compensation, Workweeks and PAGA Pay Periods in the Class Data.
- 7.4.2 Using best efforts to perform as soon as possible, and in no event later than ~~{14}~~ten (10) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class USPS mail, the Class Notice ~~[with Spanish translation, if applicable]~~ substantially in the form attached to this Agreement as Exhibit -A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the ~~number of Workweeks~~amount of Class Period Compensation and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- 7.4.3 Not later than ~~{three (3)}~~ business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections, Challenges to ~~Workweeks~~Class Period Compensation and/or Pay Periods and Requests for Exclusion will be extended an additional ~~{14}~~ days beyond the ~~{60}~~45 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5 If the Administrator, ~~XYZSLING~~ or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than ~~{14}~~ days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

7.5 Requests for Exclusion (Opt-Outs).

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

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

~~7.5.3~~ Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraphs 5.2 and 7.5.3 5.3 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

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

~~7.6~~ Challenges to Calculation of Workweeks-Class Period Compensation. Each Class Member shall have ~~[60] days after~~until the ~~Administrator mails the Class Notice (plus an additional [14] days for Class Members whose Class Notice is re-mailed)~~Response Deadline to challenge the ~~number~~amount of Class ~~Workweeks~~Period Compensation and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator

via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the ~~Workweeks~~Class Period Compensation contained in the Class Notice ~~are~~is correct so long as ~~they are~~it is consistent with the Class Data. The

7.6 Administrator's determination of each Class Member's allocation of ~~Workweeks~~Class Period Compensation and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to challenge, ~~except by the Court.~~ The Administrator shall promptly provide copies of all challenges to calculation of ~~Workweeks~~Class Period Compensation and/or PAGSA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7 Objections to Settlement.

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

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

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

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

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

~~7.8.2~~Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than ~~{five (5)}~~ days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class

Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion

- 7.8.2 (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
- 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to ~~Workweeks~~Class Period Compensation and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include ~~provide~~ the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4 ~~Workweek~~Class Period Compensation and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of ~~Workweeks~~Class Period Compensation and/or Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge, except by the Court.
- 7.8.5 Administrator’s Declaration. Not later than ~~{14}~~ days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator’s declaration(s) in Court.
- 7.8.6 Final Report by Settlement Administrator. ~~Within {10} days after the Administrator disburses all funds in the Gross Settlement Amount~~On or before the date established by the Court, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least ~~{15}~~ten (10) days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator’s declaration in Court.

8.—CLASS SIZE ESTIMATES ~~and~~AND ESCALATOR CLAUSE~~1.~~ Based on its records, ~~XYZSLING~~ estimates that, as of the date of this Settlement Agreement, (1) there are 141 Class Members and _____ ~~Total~~ 6,928 total Class Period Workweeks ~~during the Class period~~ (“Represented Workweeks”) and (2) there were

8. 105 Aggrieved Employees who worked 4,500 Pay Periods during the PAGA Period^{viii}. If the total number of Class Period Workweeks, as reported by Defendant to the Administrator in the Class Data, exceeds 110% of the Represented Workweeks, the Gross Settlement Amount shall increase by the same percentage that the total Class Period Workweeks exceeds 110% of the Represented Workweeks, or alternatively Defendant can end the Class Period and PAGA Period on a date prior to September 16, 2024 in order to limit the Represented Workweeks to a number lower than 110% of the amount above.
9. **XYZ'SSLING'S RIGHT TO WITHDRAW.** If the number of valid Requests for Exclusion identified in the Exclusion List exceeds —10% of the total of all Class Members, XYZSLING may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if XYZSLING withdraws, the Settlement shall be void *ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, XYZSLING will remain responsible for paying all Settlement Administration Expenses incurred to that point. XYZSLING must notify Class Counsel and the Court of its election to withdraw not later than {seven}(7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.
10. **MOTION FOR FINAL APPROVAL.** Not later than {16} court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a Proposed Final Approval Order and a proposed Judgment (collectively “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel not later than {seven}calendar days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 10.1 Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later that {than five} court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval. The Court’s decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing

settlement administration matters and (iii) addressing such post-Judgment matters as are permitted by law.

~~10.4~~ Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees

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

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

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

12. **ADDITIONAL PROVISIONS.**

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

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

12.2 Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, ~~XYZSLING~~ and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

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

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

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

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

- 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.
- 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, ~~XYZSLING~~ nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed or waived only by an express written instrument signed by all Parties or their representatives and approved by the Court.
- 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the State of California, without regard to conflict of law principles.
- 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 12.13 Confidentiality. To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 12.14 Use and Return of Class Data. Information provided to Class Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the Class Data provided to Class Counsel by ~~XYZSLING~~ in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Class Data received from ~~XYZSLING~~ unless, prior to the Court's discharge of the Administrator's obligation, ~~XYZSLING~~ makes a written request to Class Counsel for the return, rather than the destruction, of Class Data.
- 12.15 Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

- 12.16 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 12.17 Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiff:

Aaron C. Gundzik
aaron.gundzik@gghllp.com
Rebecca Gundzik
rebecca.gundzik@gghllp.com
Gundzik Gundzik Heeger LLP
14011 Ventura Blvd., Suite 206E
Sherman Oaks, CA 91423
Telephone: (818) 290-7461

Daniel M. Holzman
dholzman@caskeyholzman.com
Caskey & Holzman
24025 Park Sorrento, Ste. 400
Calabasas, CA 91302
Telephone: (818) 657-1070
Facsimile: (818) 297-1775

To ~~XYZSLING~~:

Joshua Carlon
Joshua.Carlon@aalrr.com
Atkinson, Andelson, Loya, Ruud & Romo
251 South Lake Avenue Suite 360
Pasadena, CA
(626)-583-8600

- 12.18 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 12.19 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under

[illegible]

Defendant Sling Flying Club LLC

Dated: _____, 2024

By: _____

Its: _____

Approved as to form:

DATED: _____, 2024

ATKINSON, ANDELSON, LOYA, RUUD &
ROMO

By: _____

Joshua D. Carlon
Attorneys for Defendant Sling Flying Club LLC

DATED: October 8, 2024

GUNDZIK GUNDZIK HEEGER LLP

By: _____



Aaron Gundzik
Attorney for Plaintiff

DATED: _____, 2024

CASKEY & HOLZMAN

By: _____

Daniel M. Holzman
Attorney for Plaintiff

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

{ _____ (case name and number) _____ }

Pursley v Sling Flying Club LLC, Case No. 23STCV-27865

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

You may be eligible to receive money from an employee class action lawsuit (“Action”) against _____ Sling Flying Club, LLC (abbreviate name; “XYZSLING” is used herein as a placeholder) for alleged wage and hour violations. The Action was filed by a ~~former~~ XYZ SLING employee _____ Divya K. Pursley (“Plaintiff”) and seeks payment of (1) back wages ~~and other relief~~ for a class of ~~[e.g., hourly]~~ employeesflight instructors (“Class Members”) who worked for XYZSLING during the Class Period _____ to _____; (November 14, 2019 through _____); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all ~~[e.g., hourly]~~ employeesflight instructors who worked for XYZSLING during the PAGA Period (_____ to November 14, 2022 through _____) (“Aggrieved Employees”).

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

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

The above estimates are based on XYZ’sSLING’s records showing that **you worked _____ workweek earned \$ _____ from SLING** during the Class Period and **you worked _____ workweekspay periods** during the PAGA Period. If you believe that you ~~workedearned~~ more workweekscompensation during ~~either periodthe Class Period, or worked more pay periods during the PAGA Period~~, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires XYZSLING to make payments under the Settlement and requires Class Members

and Aggrieved Employees to give up their rights to assert certain claims against XYZSLING.

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

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

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

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against <u>XYZSLING</u> that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is <u>45 days from mailing</u>	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. <u>XYZSLING</u> must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by <u>45 days from mailing</u>	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or

	Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on _____. You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Class Period Compensation/PAGA Pay Periods	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during them much Class Period Compensation you received and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks Compensation and number of PAGA Period Pay Periods you worked according to XYZ's SLING's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by _____. 45 days from
Written Challenges Must be Submitted by	

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a ~~an~~ former ~~XYZ SLING~~ employee. The Action accuses ~~XYZSLING~~ of violating California labor laws by, ~~among other things~~, failing to pay ~~e.g.,~~ overtime wages, minimum wages, wages due upon termination and reimbursable expenses ~~and failing to provide e.g., meal periods, rest breaks and accurate itemized wage statements~~ ~~to flight instructors~~. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Lab. Code, § 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action: Aaron Gundzik and Rebecca Gundzik of Gundzik Gundzik Heeger LLP and Dan Holzman of Caskey & Holzman ("Class Counsel").
_____. ("Class Counsel.")

~~XYZ~~

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

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

So far, the Court has made no determination whether ~~XYZSLING~~ or Plaintiff is correct on the merits. In the meantime, Plaintiff and ~~XYZSLING~~ hired ~~an~~ experienced, neutral mediator ~~a retired judge~~ ~~(describe alternative means of negotiation)~~ in an effort to resolve the Action by negotiating an to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and ~~XYZSLING~~ have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the

proposed Settlement is a compromise of disputed claims. By agreeing to settle, ~~XYZ~~SLING does not admit any violations or concede the merit of any claims.

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

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

~~1. XYZSLING~~ Will Pay \$ ~~_____630,000~~ as the Gross Settlement Amount (Gross Settlement).
~~XYZ~~

~~1. SLING~~ has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorneys' fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, ~~XYZSLING~~ will fund the Gross Settlement ~~not more than [14]~~ in two equal installments – with the first half due 60 days after the ~~Judgment entered by the Court become final. The Judgment will be final on the date the~~ Court enters Judgment, ~~or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed and the second installment due 180 days after the first installment.~~

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

- A. Up to \$ ~~_____~~ [~~_____~~ % one-third of the Gross Settlement] Amount to Class Counsel for attorneys' fees and up to \$ ~~_____25,000~~ for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$ ~~_____10,000~~ as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
- C. Up to \$ ~~_____6,700~~ to the Administrator for services administering the Settlement.
- D. Up to \$ ~~_____20,000~~ for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the “Net Settlement”) by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks Compensation
4. Taxes Owed on Payments to Class Members. Plaintiff and XYZSLING are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to [e.g., penalties and interest, etc.] (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. ~~[Option 1: (XYZSLING will separately pay employer payroll taxes it owes on the Wage Portion.)]~~. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

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

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

~~☐ will be deposited with the California Controller’s Unclaimed Property Fund in your name.~~

~~☐ will irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”).~~

f

If the monies represented by your check is sent to the Controller’s Unclaimed Property fund, you should consult the rules of the ~~Fund~~fund for instructions on how to retrieve your money.~~].~~

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than 45 Days from mailing, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the 45 days from mailing Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her/their representative setting forth a Class Member’s name, present address, telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class

Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against ~~XYZ~~SLING.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible

for Individual PAGA Payments and are required to give up their right to assert PAGA claims against ~~XYZSLING~~ based on the PAGA Period facts alleged in the Action.

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

~~8. Administrator.~~ The Court has appointed a neutral company,

8. ~~_____~~ Phoenix Settlement Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Administrator will also decide Class Member Challenges over ~~Workweeks~~ Class Period Compensation or PAGA Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members’ Release. After the Judgment is final and ~~XYZSLING~~ has fully funded the Gross Settlement ~~{Option 1: (and separately paid all employer payroll taxes)}~~, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue or be part of any other lawsuit against ~~XYZSLING~~ or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

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

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint ~~{and ascertained in the course of the Action}~~ ~~{including, e.g., “(a) any and all claims involving any alleged (a) failure to pay wages; (b) failure to pay minimum wages; (c) failure to provide meal and/or rest breaks; (d) failure to provide legally compliant wage; etc.”}~~ statements; (e) failure to reimburse employees for necessary expenditures; (f) failure to pay all wages owed at time of discharge. Except as set forth in Section 5.3 of ~~the Settlement~~ this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation; or claims based on facts occurring outside the Class Period.^{viii}

~~10. Aggrieved Employees’ PAGA Release.~~ After the Court’s judgment is final, and

| XYZSLING has paid the Gross Settlement (and separately paid the employer-side
| payroll taxes), all Aggrieved Employees will be barred from asserting PAGA claims
| against XYZSLING, whether or not they exclude themselves from the Settlement. This
| means that all Aggrieved Employees, including those who are Participating Class
Members and those who opt-out

10. of the Class Settlement, cannot sue, continue to sue or participate in any other PAGA claim against ~~XYZSLING~~ or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

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

All ~~Participating and~~ Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint~~[,] [and] the PAGA Notice [and ascertained in the course of the Action][including, e.g., (a) any and all claims involving any alleged failure to pay minimum wage; etc.].~~ and the PAGA Notice.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total ~~number amount~~ of ~~Workweeks worked by~~ compensation that SLING paid to all Participating Class Members during the Class Period, and (b) multiplying the result by the ~~number of Workweeks worked by~~ total compensation that SLING paid to each individual Participating Class Member during the Class Period.
2. Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$ 5,000 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
3. Workweek Compensation/Pay Period Challenges. The ~~number amount~~ of ~~Class-Workweeks compensation that SLING paid~~ you ~~worked~~ during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in ~~XYZ's SLING's~~ records, are stated in the first page of this Notice. You have until 45 days from mailing to challenge the ~~number amount~~ of ~~Workweeks~~ Class Period Compensation and/or PAGA Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept ~~XYZ's SLING's~~ calculation of ~~Workweeks~~ compensation and/or PAGA Pay Periods based on ~~XYZ's SLING's~~ records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve ~~Workweek compensation~~ and/or Pay Period challenges based on your submission and on input from Class

Counsel (who will advocate on behalf of Participating Class Members) and ~~XYZ's~~SLING's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name, present address, telephone number and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as _____

Pursley v. Sling Flying Club LLC, Case No. 23STCV-27865, and include your identifying information (full name, address, telephone number, approximate dates of employment and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by 45 days from mailing, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and XYZSLING are asking the Court to approve. At least 21 days before the Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website TO BE INSTERTED or the Court's website: www.LACourt.org.

 (url) or the Court's website (url)

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish

to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is _____ 45 days from mailing.** Be sure to tell the Administrator what

you object to, why you object and any facts that support your objection. Make sure you identify the Action _____ *Pursley v Sling Flying Club LLC, Case No. 23STCV-27865*, and include your name, current address, telephone number and approximate dates of employment for ~~{XYZ}~~SLING and sign the objection. Section 9 of this Notice has the Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _____ at ____ (time) in Department ~~{7}~~ of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. -You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything ~~XYZ~~SLING and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to _____ (specify entity) _____ the Administrator's website at _____ (url) _____. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (~~<http://www.lacourt.org/casesummary/ui/index.aspx>~~) ~~{confirm}~~(<http://www.lacourt.org>) and entering the Case Number for the Action, Case No. _____ 23STCV-27865. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

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

Class Counsel:
Name of Attorney:-
Email Address:-
Name of Firm:-
Mailing Address:-

Telephone:

Aaron C. Gundzik
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Rebecca Gundzik
Rebecca.gundzik@gghllp.com
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DHolzman@CaskeyHolzman.com
Caskey & Holzman
24025 Park Sorrento, Ste. 400
Calabasas, CA 91302
Telephone: (818) 657-1070

Settlement Administrator:

Name of Company:

Email Address:

Mailing Address:

Telephone:

Fax Number:

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund <https://ucpi.sco.ca.gov> for instructions on how to retrieve the funds

☐ ~~you should consult the Unclaimed Property Fund _____ for instructions on how to retrieve the funds~~

☐ ~~you will have no way to recover the money.~~

11. WHAT IF I CHANGE MY ADDRESS?

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

ⁱ~~This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cunningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (XYZ). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.~~

ⁱⁱ~~Whether the “date of preliminary approval” yields a fair and adequate payment to Class Members may depend on whether the Class Members, in exchange for their releases of claims, receive consideration for time worked between the date when parties reached a settlement and the date of preliminary approval. The Parties’ Kullar analysis must give the Court sufficient information to allow the Court to determine whether the Gross Settlement Amount “represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation.” (Luckey v. Superior Court (2014) 228 Cal.App.4th 81, 94–95, internal quotation marks omitted.)~~

ⁱⁱⁱ~~See endnote ii above.~~

^{iv}~~The Parties may need to tailor this language to pay periods or shifts depending on the facts of the case.~~

^v~~The Parties are free to negotiate a payment plan structure, if appropriate, and payment deadlines may fall earlier as necessary thereto.~~

^{vi}~~Note that this is not the only possible appropriate breakdown depending on the claims at issue in the case (e.g. a settlement that is solely a Labor Code section 226, subdivision (a) claim.)~~

^{vii}~~Insert negotiated terms, if any, addressing the possibility that XYZ’s estimates of class size, Workweeks or Pay Periods turn out to be understated such as an ADR clause imposing a duty to engage in good faith negotiations or mediation or an “escalator” clause memorializing XYZ’s promise to increase the Gross Settlement Amount in an agreed upon proportion to the percentage by which the calculated class size, Workweeks, or Pay Periods exceeds XYZ’s estimates.~~

^{viii}~~Releases in Notice should track the releases in the Settlement Agreement.~~

EXHIBIT 4

(Confirmation of Submission of Settlement to LWDA)

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