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Attorneys for Plaintiffs
Dane Carter and Josue Camargo Luna

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

DANE CARTER and JOSUE CAMARGO
LUNA, individually, and on behalf of all others
similarly situated,

Plaintiffs,

vs.

QUANTUM FUEL SYSTEMS LLC, a California
limited liability company; and DOES 1 through
10, inclusive,

Defendants.

Case No. 30-2023-01334066-CU-OE-CXC
Related Case No. 30-2024-01378128-CU-OE-
CXC

*Assigned for all purposes to:
Hon. Melissa R. McCormick
Dept. CX105*

**DECLARATION OF JOHN G. YSLAS IN
SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

PRELIMINARY APPROVAL HEARING

Date: January 8, 2026

Time: 2:00 p.m.

Dept.: CX105

Reservation Number: 74717264

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1. I am an attorney at law licensed to practice before all of the courts of the State of California. I am a Senior Partner at Wilshire Law Firm, PLC (“WLF”), counsel for plaintiffs Dane Carter and Josue Carmargo Luna (“Plaintiffs”) in this matter. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein.

Procedural History

4. On December 5, 2023, Plaintiffs provided written notice to the LWDA and Defendant of their intention to file a PAGA claim. A true and correct copy of the PAGA Letter is attached hereto as **Exhibit 3**. The LWDA did not notify Plaintiffs that it intended to investigate within 65 days of this written notice. Therefore, on February 8, 2024, Plaintiffs filed a separate action alleging a claim under PAGA, Case No. 30-2024-01378128-CU-OE-CXC (the “PAGA Action”).

5. The Parties subsequently participated in a private all-day mediation with mediator Steven Serratore on February 27, 2025. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. The Parties were ultimately able to reach an agreement on general settlement terms.

6. The parties negotiated the terms of the Settlement over the next several months, which was finalized in October 2025. A true and correct copy of the fully executed Settlement

Agreement is attached hereto as **Exhibit 1**. Attached thereto as **Exhibit A** is a true and correct copy of the Parties' proposed Class Notice.

7. On December 2, 2025, Plaintiffs submitted a copy of the Settlement Agreement to the LWDA. A true and correct copy of the confirmation of submission my office received after submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 2**.

Investigation and Exposure Analysis

8. Prior to attending mediation, Plaintiffs' Counsel thoroughly investigated the claims, applicable law, and potential defenses. Plaintiffs' Counsel assessed the value to the class claims using the documents and data Defendant produced in informal discovery, including thousands of documents such as class data providing the number of Class Members, the number of workweeks in the Class Period, and the number of pay periods in the PAGA Period, Plaintiffs' personnel files, employment handbook and policies, job descriptions, and time and payroll records. Plaintiffs' Counsel engaged an expert to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial.

9. Defendant's records show that there are approximately 230 Class Members, making joinder of all Class Members impracticable. Further, given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweighs any potential recovery.

10. Plaintiffs have alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. These allegations present common factual and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies to all Class Members, whether these policies and practices resulted in Labor Code violations, whether Defendant's conduct was intention, and whether Class Members are entitled to damages and/or penalties. These common questions could be resolved

1 using Class Members' time records, payroll records, testimony from Defendant's designated
2 representative(s), and Class Members' testimony.

3 11. Although the exposure Plaintiffs' Counsel calculated is substantial, the various risks
4 at succeeding at class certification and through trial affected the valuation of the claims for
5 settlement purposes.

6 12. Minimum and Overtime Wages: Plaintiffs' unpaid minimum and overtime wage
7 claims were based on the allegations that Defendant's maintained a practice of unlawfully rounding
8 employees' time and Defendant required Class Members to perform work duties, in lieu of meal
9 periods and/or rest breaks, and after clocking out. Based on Plaintiffs' estimate that they worked a
10 total of 1 hour off-the-clock each week, Plaintiffs' Counsel assumed each Class Member worked
11 1-hour off-the-clock per week in calculating potential exposure to be approximately \$902,745.00
12 for these claims. However, Defendant argued that any off-the-clock time was undocumented and
13 unknown to Defendant, and that Defendant was therefore not obligated to pay for this time.
14 Because this claim would have relied heavily on Class Member testimony and would not be
15 evidenced in Defendant's time and payroll records, the risk of succeeding at class certification was
16 substantial. Accordingly, Plaintiffs' Counsel applied a risk discount based on a 40% chance of
17 succeeding at class certification and a 35% chance of succeeding at trial on the merits, yielding a
18 realistic estimate of approximately \$126,384.30 ($\$902,745.00 \times 40\% \times 35\%$), or approximately
19 10% of the Gross Settlement Amount.

20 13. Meal Periods: Plaintiffs' meal period claims were based on the allegations that
21 Defendant failed to maintain a policy and practice of providing meal periods and/or paying meal
22 period premiums when its time records showed Class Members' meal periods were late, short, or
23 missed. Plaintiffs' Counsel found a violation rate of approximately 38.9% in Defendant's time and
24 payroll records and calculated potential exposure on this claim to be approximately \$1,123,736.98.
25 However, Defendant argued that Class Members signed meal period waivers and/or on-duty meal
26 period agreements. Accordingly, Plaintiffs' Counsel applied a risk discount based on a 60% chance
27 of succeeding at class certification and a 50% chance of succeeding at trial on the merits, yielding
28

a realistic damage estimate of approximately \$337,121.09 ($\$1,123,736.98 \times 60\% \times 50\%$), or approximately 27% of the Gross Settlement Amount.

14. Rest Breaks: Plaintiffs' rest break claims were based on the allegations that Defendant failed to maintain a policy and/or practice of providing rest breaks and/or paying rest break premiums when Class Members' rest breaks were late, short, or missed. Plaintiffs' Counsel applied a 100% violation rate to all shifts over 3.5 hours and calculated a potential exposure of \$2,888,784.00 for this claim. However, Defendant argued that a 100% violation rate was unrealistic and that its handbook provided a rest break policy. Because this claim would have relied exclusively on Class Member testimony, Plaintiffs' Counsel applied a risk discount based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately \$462,205.44 ($\$2,888,784.00 \times 40\% \times 40\%$), or approximately 37% of the Gross Settlement Amount.

15. Reimbursements: Plaintiffs' reimbursement claim was based on the allegation that Defendant required Class Members to use their personal cell phones for work, such as but not limited to, communicating with supervisors to discuss work-related tasks and scheduling, and sending photos of work-related updates and purchase specific work attire (e.g., boots) for work-related matters. Based on Plaintiffs' estimate that they incurred approximately \$30 in unreimbursed expenses per month, Plaintiffs' Counsel assumed each Class Member incurred \$30 in unreimbursed expenses per month in calculating potential exposure to be approximately \$202,500.00 for this claim. However, Defendant argued that these expenses were not required by Defendant, and that it could not have known that these expenses were being incurred. As such, Plaintiffs' Counsel applied a risk discount based on a 60% chance of succeeding at class certification and a 50% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately \$60,750.00 ($\$202,500.00 \times 60\% \times 50\%$), or approximately 5% of the Gross Settlement Amount.

16. Derivative Penalties: Plaintiffs alleged that as a result of Defendant's alleged failure to pay all wages and meal and rest period premiums owed, Defendant owed waiting time penalties and wage statement penalties. However, Defendant argued that it had good faith defenses that made

1 the imposition of these penalties unwarranted. Moreover, Plaintiffs could not recover these
2 penalties if they failed to prove the underlying claims. Although Plaintiffs' Counsel calculated that
3 potential exposure for the waiting time penalty claim was approximately \$689,028.48 and
4 approximately \$724,000.00 for the wage statement penalty claim, Plaintiff's Counsel could not
5 attribute a high value to these claims. As such, Plaintiffs' Counsel applied a risk discount based on
6 a 40% chance of succeeding at class certification and a 35% chance of succeeding at trial on the
7 merits for the waiting time penalty claim, yielding a realistic damage estimate of approximately
8 \$96,463.99 (\$689,028.48 x 40% x 35%) and a risk discount based on a 40% chance of succeeding
9 at class certification and a 40% chance of succeeding at trial on the merits for the wage statement
10 penalty claim, yielding a realistic damage estimate of approximately \$115,840.00 (\$724,000.00 x
11 40% x 40%).

12 17. PAGA: For the PAGA claim, Plaintiffs' Counsel determined that Defendant's
13 potential exposure could potentially reach \$685,300.00, assuming the initial \$100 penalty would
14 apply for each of the 6,853 pay periods in the PAGA Period. However, even assuming success on
15 the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of
16 reasons, including where to do otherwise would result in an award that is unjust, arbitrary and
17 oppressive, or confiscatory. Therefore, the settlement allocates \$75,000.00 of the Gross Settlement
18 Amount to PAGA, or approximately 6% of the Gross Settlement Amount.

19 **Plaintiffs' Counsel's Qualifications**

20 18. Plaintiffs are represented by WLF. The attorneys at WLF performed significant
21 work and expended litigation costs in prosecuting this matter with no guarantee of payment.

22 19. WLF was selected by Best Lawyers and U.S. News & World Report as one of the
23 nation's Best Law Firms since 2020 and is comprised of more than 100 attorneys and over 600
24 employees. WLF is actively and continuously practicing in employment litigation, representing
25 employees in both individual and class actions in both state and federal courts throughout
26 California.

27 20. WLF is qualified to handle this Litigation because its attorneys are experienced in
28 litigating Labor Code violations in individual, class action, and representative action cases. WLF

1 has handled, and is currently handling, numerous wage and hour class action lawsuits, as well as
2 class actions involving consumer rights and data privacy litigation.

3 21. I graduated from the University of California, Santa Barbara with High Honors in
4 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
5 School in 1996.

6 22. Upon graduating from law school in 1996, I worked for a boutique law firm
7 practicing general litigation which included employment law matters. Since 2000 (that is, the last
8 25 years) my practice has been exclusively focused on labor and employment matters including
9 handling wage and hour class, collective and representative actions (including the California
10 Private Attorneys General Act, or “PAGA”), including in the international law firms of Morgan,
11 Lewis & Bockius LLP (where I was a senior associate), Foley & Lardner LLP (where I was a
12 partner and a national Vice Chair of the Labor and Employment Group), Norton Rose Fulbright
13 LLP (where I was a partner) and Seyfarth Shaw LLP (where I was a partner and member of the
14 Wage and Hour Practice Group). During my time at these law firms, I was the primary attorney or
15 took a major leading role in defending employers on numerous wage and hour class, collective and
16 representative actions.

17 23. In late June 2022 I left Seyfarth Shaw LLP and joined my current firm, Wilshire
18 Law Firm, PLC, to represent plaintiff employees. I have been and am handling many wage and
19 hour class and representative actions litigating such matters on behalf of plaintiff employees in
20 numerous Superior Courts and District Courts. From matters representing both plaintiffs and
21 defendants, I have successfully mediated the resolution of many wage and hour class, collective,
22 and representative actions. Just since starting to settle cases in late April 2023 I have already
23 successfully mediated matters in which I have been counsel or co-counsel resulting in **over \$201**
24 **million** in settlements and verdicts which are in the process of being finalized, and with numerous
25 upcoming mediations scheduled. In those and numerous other matters, I have managed and assisted
26 with the litigation and settlement of many wage and hour PAGA and class actions. In those actions,
27 I performed similar tasks as those performed in the course of prosecuting this action. Indeed, I
28 recently tried and prevailed in achieving a jury verdict in a wage and hour class action in the matter

1 of *Aguilar-Flores v. Javier's – CC LLC*, Los Angeles County Superior Court, Case No.
2 19STCV36438.

3 24. I have received numerous awards for my legal work. For example, from 2015 to
4 2018, I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters).
5 I have also served on numerous prominent boards and in other leadership positions, including
6 serving as Southern California Regional President for the Hispanic National Bar Association and
7 on the board of directors of the Mexican American Bar Foundation. I also previously served on the
8 5-member Los Angeles Civil Service Commission, which generally oversees the personnel
9 decisions for the City of Los Angeles.

10 25. I have also published numerous blogs on labor and employment issues including on
11 wage and hour issues. For example, I published “Headline News: Wal-Mart v. Dukes-Impact on
12 Class Action Litigation” (while a partner with Foley & Lardner LLP) and “Are You Really
13 Protected From Wage-and-Hour Successor Liability in an Asset Purchase” (while a partner with
14 Seyfarth Shaw LLP). I have also been a presenter at numerous conferences, including being a
15 presenter involving the “Employment Law Update” at a National Employment Law Council
16 conference.

17 26. Jeffrey C. Bils is an eleventh-year Senior Attorney at WLF. He graduated from the
18 University of Wisconsin–Madison with a Bachelor of Arts in Journalism and German, and received
19 his Juris Doctor from the University of California, Los Angeles School of Law in 2014. During law
20 school, he was a Senior Editor on the UCLA Law Review and an Articles Editor on the
21 Entertainment Law Review. Mr. Bils served as a Judicial Extern for the Hon. Consuelo Bland
22 Marshall in United States District Court for the Central District of California, and also for the Hon.
23 Sandra R. Klein of United States Bankruptcy Court for the Central District of California. Mr. Bils
24 graduated ranked No. 7 in his graduating class from UCLA School of Law. He was admitted to
25 practice law in the State of California in 2014. Since graduating from law school, he has focused
26 his legal work primarily on employment matters, including wage-and-hour class action and PAGA
27 representative action litigation, and he has helped obtain dozens of settlements on behalf California
28 workers, as well as on behalf of California employers during his years on the defense bar. Mr. Bils

1 is a member of the Beverly Hills Bar Association (BHBA), where he is a past member of the Board
2 of Governors and a past Chair of the Labor & Employment Law Section Executive Committee. He
3 is also a member of the California Employment Lawyers Association (CELA) and the Consumer
4 Attorneys Association of Los Angeles (CAALA).

5 27. Aram Boyadjian is a fifth-year Associate Attorney at WLF. He was admitted to
6 practice law in the State of California in 2021. Aram graduated from the University of California,
7 Los Angeles, with a Bachelor of Arts in Political Science. He received his Juris Doctor from Loyola
8 Law School. During law school, he was a member of the student editorial board for the
9 International and Comparative Law Review. Since January 2021, his practice has mainly been
10 focused on wage and hour class action litigation.

11 28. Lisa B. Iturriaga is a Settlement Attorney at Wilshire Law Firm, PLC. She was
12 admitted to practice law in the State of California in 2021. Ms. Iturriaga graduated from University
13 of South Florida with a Bachelor of Science in Finance and a Bachelor of Arts in Marketing. She
14 received her Juris Doctor from Chapman University Dale E. Fowler School of Law. Since
15 graduating, her practice has been in insurance defense (previously) and employment law
16 (currently). Since 2023, she has exclusively worked on Plaintiff-side wage and hour cases. Ms.
17 Iturriaga is also a member of the California Employment Lawyers Association (CELA).

18 29. Andrew Sandoval is a third-year Associate Attorney at WLF. He was admitted to
19 practice law in the State of California in 2022. Andrew graduated from Azusa Pacific University
20 with a Bachelor of Arts in Economics. He received his Juris Doctor from Loyola Law School.
21 During law school, he was a Vice-President of La Raza de Loyola. Since graduating, his practice
22 has mainly been focused on wage and hour class action litigation.

23 **Plaintiffs' Service Payment**

24 30. Class Counsel represent that Plaintiffs' interests are coextensive with Class
25 Members' interests. Plaintiffs devoted a great deal of time and work assisting counsel in the case,
26 communicated with counsel frequently for litigation and to prepare for mediation, and was
27 frequently in contact with Class Counsel during the mediation. Plaintiffs' requested service
28 payments are reasonable, particularly in light of the substantial benefits Plaintiffs generated for

1 all class members.

2 31. Throughout this litigation, Plaintiffs, who are former employees of Defendant,
3 have cooperated immensely with my office and have taken many actions to protect the interests
4 of the class. Plaintiffs provided valuable information regarding the off-the-clock, meal period,
5 and rest period claims. Plaintiffs also informed my office of developments and information
6 relevant to this action, participated in decisions concerning this action, and made themselves
7 available to answer questions during the mediation. Plaintiffs provided my office with documents
8 regarding the claims alleged in this action. The information and documentation provided by
9 Plaintiffs were instrumental in establishing the wage and hour violations alleged in this action,
10 and the recovery provided for in the Settlement Agreement would have been impossible to obtain
11 without Plaintiffs' participation.

12 32. At the same time, Plaintiffs faced many risks in adding themselves as the class
13 representative in this matter. Plaintiffs faced actual risks with their future employment, as putting
14 themselves on public record in an employment lawsuit could also very well affect their
15 likelihood for future employment. Furthermore, as part of this Settlement, Plaintiffs are executing
16 general releases of all claims against Defendant.

17 33. In turn, class members will now have the opportunity to participate in a settlement,
18 reimbursing them for alleged wage violations they may have never known about on their own or
19 been willing to pursue on their own. If these class members would have each tried to pursue their
20 legal remedies on their own, that would have resulted in each having to expend a significant
21 amount of their own monetary resources and time, which were obviated by Plaintiffs putting
22 themselves on the line on behalf of these other class members.

23 34. In the final analysis, this class action would not have been possible without the aid
24 of Plaintiffs, who put their own time and effort into this litigation and placed themselves at risk
25 for the sake of the class members. The requested service payments for Plaintiffs for their service
26 as the class representatives and for their general release of all individual claims is a relatively
27 small amount of money when the time and effort put into the litigation are considered, and in
28 comparison to the service payments granted in other class actions. The requested service

1 payments are therefore reasonable to compensate Plaintiffs for their active participation in this
2 lawsuit.

3 **Estimates Regarding Class Payment and PAGA Payment**

4 35. The Net Settlement Amount is approximately \$701,343.33. The total number of
5 Workweeks in the Class Period are estimated to be approximately 27,000. Class Members will
6 receive approximately \$25.98 per Workweek. As such, Class Members will receive an estimated
7 *high* payment of \$8,104.41, an estimated *average* payment of \$3,049.32, and an estimated *low*
8 payment of \$25.98. Plaintiff Luna's Individual Class Payment is estimated to receive \$1,137.73
9 and Plaintiff Carter's Individual Class Payment is estimated to receive \$794.86.

10 36. Aggrieved Employees are estimated to receive \$18,750.00 in PAGA Penalties.
11 The total number of Pay Periods in the PAGA Period are estimated to be approximately 6,853.
12 Aggrieved Employees will receive approximately \$2.74 per Pay Period. As such, Aggrieved
13 Employees will receive an estimated *high* payment of \$345.83, an estimated *average* payment of
14 \$103.59, and an estimated *low* payment of \$2.74. Plaintiff Luna's Individual PAGA Payment is
15 estimated to receive \$48.70 and Plaintiff Carter's Individual PAGA Payment is estimated to
16 receive \$37.76.

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Representations

37. Plaintiffs do not have any interest, financial or otherwise, in the proposed third-party administrator, Apex Class Action. No one at WLF (meaning the law firm itself and anyone employed at the law firm) has any interest, financial or otherwise, in the proposed third-party administrator, Apex Class Action.

38. WLF does not have a fee-splitting agreement with any other counsel in this case.

39. Class Counsel is not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

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

Executed on December 2, 2025 at Los Angeles, California.



John G. Yslas

EXHIBIT 1

EXHIBIT 1

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Attorneys for Plaintiffs Dane Carter and Josue Camargo Luna, individually
and on behalf of others similarly situated

[ADDITIONAL COUNSEL ON FOLLOWING PAGE]

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

DANE CARTER and JOSUE CAMARGO
LUNA, individually, and on behalf of all
others similarly situated,

Plaintiffs,

vs.

QUANTUM FUEL SYSTEMS LLC, a
California limited liability company; and
DOES 1 through 10, inclusive,

Defendants.

Case No. 30-2023-01334066-CU-OE-CXC
Related to Case No. 30-2024-01378128-CU-
OE-CXC

*Assigned for all purposes to Hon. Melissa R.
McCormick*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

1 Nicole Sheth (SBN 253515)
2 Steven D. Whang (SBN 299009)
3 **KAUFMAN BORGEEST & RYAN LLP**
4 21700 Oxnard Street, Suite 1450
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9 Attorneys for Defendant Quantum Fuel Systems, LLC
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1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
2 Plaintiffs Dane Carter and Josue Camargo Luna (“Plaintiffs”) and Defendant Quantum Fuel
3 Systems LLC (“Defendant”), following a full day mediation session on February 27, 2025, with
4 Steven Serratore, Esq. The Agreement refers to Plaintiffs and Defendant collectively as “Parties,”
5 or individually as “Party” and shall be effectuated upon and subject to the following terms and
6 conditions.

7 The Parties agree that the Action shall be, and is, subject to Court approval, ended, settled,
8 resolved, and concluded by agreement of Defendant to pay the settlement amount of One Million
9 Two Hundred and Fifty Thousand Dollars and Zero Cents (\$1,250,000), as provided in Section
10 1.23 below (“Gross Settlement Amount”) pursuant to the terms and conditions of this Settlement
11 and for the consideration set forth herein, including but not limited to, a full, final, and forever
12 release of all claims by Plaintiffs, Class, and Aggrieved Employees as set forth herein.

13 1. **DEFINITIONS.**

14 1.1 “Actions” means Plaintiffs’ lawsuits alleging class action wage and hour violations
15 against Defendant captioned *Carter, et al. v. Quantum Fuel Systems LLC*, Orange County
16 Superior Court, Case No. 30-2023-01334066-CU-OE-CXC, filed on June 29, 2023 (“Class
17 Action”) and Case No. 30-2024-01378128-CU-OE-CXC, filed on February 8, 2024 (“PAGA
18 Action”).

19 1.2 “Administrator” means Apex Class Action, the neutral entity the Parties have agreed to
20 appoint to administer the Settlement and who will be responsible for the administration of
21 Individual Settlement Payments to be made by Defendant from the Gross Settlement Amount and
22 related matters under this Settlement. The Parties each represent that they do not have any
23 financial interest in the Administrator or otherwise have a relationship with the Administrator that
24 could create a conflict of interest.

25 1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross
26 Settlement Amount to reimburse its reasonable fees and expenses in accordance with the
27 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary
28 Approval of the Settlement, as defined in Section 3.2.3.

1.4 “Aggrieved Employee” means all current and former hourly, non-exempt employees employed by Defendant in the State of California at any time during the PAGA Period.

1.5 “Class” means all current and former hourly, non-exempt employees who were employed by Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, in the State of California, at any time during the Class Period.

1.6 “Class Counsel” means John G. Yslas, Jeffrey C. Bils, Aram Boyadjian and Andrew Sandoval of Wilshire Law Firm, PLC.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request approval from the Court of up to one-third (1/3) of the GSA (currently \$416,666.67), as defined in Section 3.2.2.

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed \$30,000.00, and paid from the Gross Settlement Amount.

1.9 “Class Data” means Class Member identifying information in Defendant’s possession including the Class Member’s name, last-known mailing address, Social Security number, or, as applicable, other taxpayer identification number, and number of Workweeks and PAGA Pay Periods.

1.10 “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).

1.11 “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.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form,

without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from January 2, 2019 through April 28, 2025.

1.14 “Class Representatives” mean the named Plaintiffs Dane Carter and Josue Camargo Luna in the Actions.

1.15 “Class Representative Service Payments” or “Enhancement Awards” mean the payment to the Class Representatives, from the Gross Settlement Amount, subject to Court approval, in exchange for their general release and in recognition of Plaintiffs’ efforts for initiating the Actions and providing services in support of the Action.

1.16 “Court” means the Superior Court of California, County of Orange.

1.17 “Defendant” means named Defendant Quantum Fuel Systems, LLC.

1.18 “Defense Counsel” means Nicole Sheth, Steven D. Whang, and Paige Waldberg of Kaufman Borgeest & Ryan LLP.

1.19 “Effective Date” means the date by which 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 (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

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

1.21 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means \$1,250,000.00, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below. The

1 Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA
2 Payments, the LWDA PAGA Payment, Class Counsel's Court-Approved Fees and Costs, Class
3 Representative Service Payment and the Administration Expenses Payment. In no event, other
4 than Defendant's share of the payroll or taxes, or, what is specifically outlined in Section 8
5 (Escalator Clause), will Defendant be required to pay more than the Gross Settlement Amount.

6 1.24 "Individual Class Payment" means the Participating Class Member's pro rata share of
7 the Net Settlement Amount, less the employee's portion of required federal and state
8 withholdings, calculated according to the number of Workweeks worked by the Participating
9 Class Members during the Class Period.

10 1.25 "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25%
11 of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during
12 the PAGA Period.

13 1.26 "Judgment" means the judgment entered by the Court based upon the Final Approval.

14 1.27 "LWDA" means the California Labor and Workforce Development Agency, the agency
15 entitled, under Labor Code section 2699, subd. (i) (2016).

16 1.28 "LWDA PAGA Payment" means the 75% share of the total amount allocated towards
17 PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i) (2016).

18 1.29 "Net Settlement Amount" means the Gross Settlement Amount, less the following
19 payments in the amounts approved by the Court: PAGA Penalties payment, Enhancement
20 Awards, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the
21 Administration Costs Payment. The remainder is to be paid to Participating Class Members as
22 Individual Class Payments.

23 1.30 "Non-Participating Class Member" means any Class Member who opts out of the
24 Settlement by sending the Administrator a valid and timely Request for Exclusion.

25 1.31 "Operative Class Complaint" means the operative class action complaint filed in the
26 Class Action.

27 1.32 "Operative PAGA Complaint" means the operative PAGA complaint filed in the PAGA
28 Action.

1 1.33 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee
2 worked for Defendant for at least one day during the PAGA Period.

3 1.34 “PAGA Period” means the period from October 1, 2022 through April 28, 2025.

4 1.35 “PAGA” means the Labor Code Private Attorneys General Act of 2004 (Labor Code §§
5 2698, *et seq.*).

6 1.36 “PAGA Notice” means Plaintiffs’ December 5, 2023 letter (LWDA-CM-997937-23) to
7 the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a)
8 (2016).

9 1.37 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the
10 Gross Settlement Amount (\$75,000.00), allocated 25% to the Aggrieved Employees (\$18,750.00)
11 and 75% to LWDA (\$56,250.00) in settlement of PAGA claims, subject to Court approval.

12 1.38 “Participating Class Member” means a Class Member who does not submit a valid and
13 timely Request for Exclusion from the Settlement.

14 1.39 “Plaintiffs” mean Dane Carter and Josue Camargo Luna, the named plaintiffs in the
15 Actions.

16 1.40 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the
17 Settlement.

18 1.41 “Released Class Claims” means the claims being released as described in Paragraph 5.2
19 below.

20 1.42 “Released PAGA Claims” means the claims being released as described in Paragraph
21 5.3 below.

22 1.43 “Released Parties” means Defendant and each of Defendant’s former, present, and future
23 parents, affiliated or related entities, fictitious business names, franchisors, boards, officers,
24 directors, shareholders, owners, members, trustees, heirs, administrators, attorneys, insurers,
25 predecessors, successors, assigns, subsidiaries, representatives, employees, agents, payroll
26 processors, independent contractors, managers, and affiliates.

27 1.44 “Request for Exclusion” means a Class Member’s submission of a written request to be
28 excluded from the Class Settlement signed by the Class Member.

1.45 “Response Deadline” means forty-five (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 or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.46 “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

2. “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period. **RECITALS.**

2.1 On June 29, 2023, Plaintiffs filed the Class Action alleging Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay final wages at termination; (6) failed to provide accurate itemized wage statements; (7) failed to indemnify employees for expenditures; (8) failed to produce requested employment records; and (9) violated California’s Unfair Competition Law, California Business and Professions Code section 17200, *et seq.*

2.2 Defendant denies the allegations in the Actions, denies any failure to comply with the laws identified in the Actions, and denies any and all liability for the causes of action alleged in the Actions.

2.3 On February 27, 2025, the Parties participated in an all-day mediation presided over by mediator Steven Serratore, which led to this Agreement to settle these Actions.

2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts of, and applicable law to, the Actions. Prior to mediation, Plaintiffs obtained and analyzed a representative sampling of time and payroll data for Class Members and the necessary policy documents through informal discovery to properly evaluate the strengths and weakness of the claims and engage in meaningful settlement discussions. Plaintiffs’ investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (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 because the Parties engaged in mediation before any 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, Defendant will pay \$1,250,000.00 to fully settle, resolve, and extinguish all claims asserted in the Actions, including without limitation all claims asserted in the PAGA Notice. The Gross Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the wage portions of the Individual Class Payments, which Defendant will pay separately. In no event, other than Defendant’s share of the payroll or taxes, or, what is specifically outlined in Section 8 (Escalator Clause), will Defendant be required to pay more than the Gross Settlement Amount.

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

3.2.1 To Plaintiffs: A payment for the Enhancement Awards to Plaintiffs of not more than \$10,000.00, each, in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members. Defendant will not oppose Plaintiffs’ request for Enhancement Awards that do not exceed this amount. As part of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek Court approval for any Enhancement Award no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an Enhancement Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The

1 Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiffs assume full
2 responsibility and liability for employee taxes owed on the Enhancement Awards.

3 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3)
4 of the GSA, which is currently estimated to be \$416,666.67 and a Class Counsel Litigation
5 Expenses Payment for actual costs. Defendant will not oppose requests for these payments.
6 Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses
7 Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise
8 ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel
9 Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the
10 remainder to the Net Settlement Amount for distribution to Participating Class Members.
11 Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising
12 from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation
13 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class
14 Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full
15 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
16 Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant,
17 from any dispute or controversy regarding any division or sharing of any of these Payments.

18 3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to
19 exceed \$6,990.00 except for a showing of good cause and as approved by the Court. To the extent
20 the Administration Costs are less or the Court approves payment of less than requested, the
21 Administrator will retain the remainder in the Net Settlement Amount to be distributed to
22 Participating Class Members.

23 3.2.4 To Each Participating Class Member: The Settlement Administrator will calculate
24 the total number of Work Weeks for all Participating Class Members who worked during the
25 Class Period. An Individual Class Payment is calculated by (a) dividing the Net Settlement
26 Amount by the total number of Workweeks worked by all Participating Class Members during
27 the Class Period, and (b) multiplying the result by each individual Participating Class Member's
28 Workweeks. The Settlement Administrator will determine the total number of Work Weeks

1 worked during the Class Period for each Participating Class Member.

2 3.2.4.1 Tax Allocation of Individual Class Payments. Ten percent (10%) of each
3 Participating Class Member's Individual Class Payment will be allocated to the Settlement of
4 wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholdings customarily
5 made from an employee's wages and all other authorized and required withholdings and will be
6 reported on an IRS W-2 Form. The remaining 90% of each Participating Class Member's
7 Individual Class Payment will be allocated to the settlement of claims for statutory damages,
8 reimbursements, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are
9 not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class
10 Members assume full responsibility and liability for any employee taxes owed on their Individual
11 Class Payment. Defendant shall not make as part of this Settlement, nor be required to make, any
12 deductions, nor pay any monthly contributions for any insurance, retirement, 401(k) or profit-
13 sharing plans, or any benefit plans related to monies paid as a result of this Settlement.

14 3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual
15 Class Payments. Non-Participating Class Members will not receive any Individual Class
16 Payments. The Administrator will retain amounts equal to their Individual Class Payments in the
17 Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

18 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
19 \$75,000.00 to be paid from the Gross Settlement Amount, with 75% (\$56,250.00) allocated to the
20 LWDA PAGA Payment and 25% (\$18,750.00) allocated to the Individual PAGA Payments.

21 3.2.5.1 The Administrator will calculate each Individual PAGA Payment for all
22 Aggrieved Employees worked during the PAGA Period by (a) dividing the amount of the
23 Aggrieved Employees' 25% share of PAGA Penalties (\$18,750.00) by the total number of PAGA
24 Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b)
25 multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. The
26 Settlement Administrator will determine the total number of Pay Periods worked during the
27 PAGA Period for each Aggrieved Employee. Aggrieved Employees assume full responsibility
28 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 to be distributed to Participating Class Members. 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, Defendant represents there are 230 Class Members who collectively worked a total of 27,000 workweeks during the Class Period.

4.2 Class Data. Not later than seven (7) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Class Data shall not be disclosed to Plaintiff, Class Counsel or any other person without prior approval from Defendant's counsel or as ordered by a Court, except that the Administrator shall provide to all counsel without need for any prior approval from Defendant's counsel a spreadsheet with a summary including allocation of funds, number of class members, number of workweeks, number of PAGA aggrieved employees and pay periods, whether the escalator clause is triggered, and a class list with employees identified only by number including each employee's compensable workweeks, estimated individual settlement payment, payment ratio, PAGA pay periods, and estimated individual PAGA settlement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement

Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 (thirty) calendar days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award 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. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). 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 the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within 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

1 by the Class Member prior to the void date.

2 4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA
3 Payment check is uncashed and canceled after the void date, the Administrator shall transmit the
4 funds represented by such checks to the California Controller's Unclaimed Property Fund in the
5 name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of
6 California Code of Civil Procedure Section 384, subd. (b).

7 4.4.4 The payment of Individual Class Payments and Individual PAGA Payments shall
8 not obligate Defendant to confer any additional benefits or make any additional payments to Class
9 Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

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

14 5.1 **Plaintiffs' Release.** Plaintiffs forever discharge Released Parties, as defined in
15 Section 1.43, from all claims, transactions, debts, liabilities, demands, actions, causes of action,
16 or occurrences, of every nature and description that accrued during the Class Period, under state
17 law and the Wage Orders of the California Industrial Welfare Commission, that were alleged or
18 which could have been alleged based on the factual allegations in the Actions, including, but not
19 limited to (a) all claims that were, or reasonably could have been, alleged, based on the facts
20 contained in the Operative Class Complaint; (b) all claims that were, or reasonably could have
21 been alleged based on facts contained in the Operative PAGA Complaint, Plaintiffs' PAGA
22 Notice, or ascertained during the Actions and released under 5.2 below; and (c) all claims arising
23 under California Labor Code Sections 201-204, 206, 218.6, 226, 226.7, 510, 512, 1182.12, 1194,
24 1194.2, 1197, 1198, 2800, 2802, and/or those arising under the Industrial Welfare Commission,
25 including IWC Wage Orders 5-2001. California Business and Professions Code section 17200 et
26 seq., California Code of Regulations, title 8, Section 11160, California Civil Code sections 3287,
27 3289, and 3294, and California Code of Civil Procedure section 1021.5, Fair Employment and
28 Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the

1 California Labor Code, and all equivalent claims under federal law (“Plaintiffs’ Release”).
2 Plaintiffs’ Release does not extend to any claims or actions to enforce this Agreement, or to any
3 claims for vested benefits, unemployment benefits, disability benefits, social security benefits,
4 workers’ compensation benefits that arose at any time, or based on occurrences outside the Class
5 Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in
6 addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless,
7 that Plaintiffs’ Release shall be and remain effective in all respects, notwithstanding such different
8 or additional facts or Plaintiffs’ discovery of them. The above release language shall also be
9 included in the Class Notice.

10 5.2 Plaintiffs’ Waiver of Rights Under California Civil Code Section 1542. For purposes
11 of Plaintiffs’ Release, Plaintiffs expressly waive and relinquish the provisions, rights, and
12 benefits, if any, of section 1542 of the California Civil Code, which reads:

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

17 Thus, subject to and in accordance with this Agreement, even if Plaintiffs may hereafter
18 discover facts in addition to or different from those they now know or believe to be true, Plaintiffs,
19 upon the Effective Date, shall be deemed to have fully, finally, and forever settled and released
20 any and all claims against the Released Parties that were alleged or could have been alleged in
21 the Actions, as well as any other claims, whether known or unknown, suspected or unsuspected,
22 contingent or non-contingent, that now exist, upon any theory of law or equity, including without
23 limitation, conduct which is negligent, intentional, with or without malice, or a breach of any
24 duty, law, or rule, without regard to the subsequent discovery or existence of such different or
25 additional facts. Plaintiffs’ Civil Code section 1542 Release does not extend to any claims or
26 actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits,
27 disability benefits, social security benefits, workers’ compensation benefits that arose at any time,
28 or based on occurrences outside the Class Period.

1 5.3 Release by Participating Class Members Who Are Not Aggrieved Employees: All
2 Participating Class Members, on behalf of themselves and their respective former and present
3 representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released
4 Parties from: (i) all claims transactions, debts, liabilities, demands, actions, causes of action or
5 occurrences of every nature and description that accrued during the Class Period, under state law
6 and the Wage Orders of the California Industrial Welfare Commission, that were alleged or which
7 could have been alleged based on the factual allegations in the First Amended Complaint in the
8 Action, including, but not limited to: that were alleged, or reasonably could have been alleged,
9 based on the facts stated in the Operative Class Complaint and ascertained in the course of the
10 Action including, failure to pay wages, failure to authorize and permit rest periods, failure to
11 indemnify for business expenses, failure to issue proper wage statements, failure to timely pay
12 wages, failure to maintain required payroll records, failure to provide meal periods, and related
13 allegations for the Class Period and (b) all claims arising under California Labor Code Sections
14 201-204, 206, 218.6, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800, 2802, and/or
15 those arising under the Industrial Welfare Commission Wage Orders, California Business and
16 Professions Code section 17200 et seq., California Code of Regulations, title 8, Section 11160,
17 California Civil Code sections 3287, 3289, and 3294, and California Code of Civil Procedure
18 section 1021.5. Except as set forth in Section 5.4 of this Agreement, Participating Class Members
19 do not release any other claims, including claims for vested benefits, wrongful termination,
20 violation of the Fair Employment and Housing Act, unemployment insurance, disability, social
21 security, workers' compensation, or claims based on facts occurring outside the Class Period.
22 (collectively the "Released Class Claims"). The above release language shall also be included in
23 the Class Notice.

24 5.4 Release by Non-Participating Class Members Who Are Aggrieved Employees: All Non-
25 Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of
26 themselves and their respective former and present representatives, agents, attorneys, heirs,
27 administrators, successors, and assigns, the Released Parties from any and all claims, debts,
28 liabilities, demands, actions, or causes of action of every nature and description that accrued

1 during the PAGA Period, under state law and the California Labor Code, that were alleged or
2 which could have been alleged based on the exhausted claims and factual allegations in Plaintiff's
3 notices sent to the LWDA and alleged in the operative complaint, regardless of whether the
4 Aggrieved Employees opt-out of the Settlement Agreement, including claims for civil penalties
5 based on unpaid wages, including but not limited to failure to pay minimum wages, straight time
6 compensation, overtime compensation, double time compensation and interest; failure to timely
7 pay regular and final wages; failure to reimburse business expenses; missed meal period and rest
8 period wages and premiums; meal period waivers and on-duty meal period waivers; payment for
9 all hours worked; wage statements and paystubs, including wage statements and paystubs
10 furnished or available in physical, electronic, or other forms; failure to keep accurate records;
11 penalties, including recordkeeping penalties, wage statement penalties, minimum-wage penalties,
12 and waiting-time penalties; statutory penalties and civil penalties; and attorneys' fees and costs.
13 Without limiting the foregoing, the PAGA Released Claims include claims for civil penalties
14 arising under California Labor Code Sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7,
15 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2698 et seq., 2800, and 2802,
16 and/or those arising under the Industrial Welfare Commission Wage Orders; PAGA; and/or those
17 arising under the Industrial Welfare Commission Wage Orders; California Code of Regulations,
18 title 8, Section 11160; and California Code of Civil Procedure section 1021.5s (collectively the
19 "Released PAGA Claims"). The above release language shall also be included in the Class Notice.

20 6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiffs will prepare and file a motion
21 for preliminary approval ("Motion for Preliminary Approval").

22 6.1 **Plaintiffs' Responsibilities**. Plaintiffs will prepare all documents necessary for obtaining
23 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the
24 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
25 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)
26 (2016)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA
27 Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming
28 willingness and competency to serve and disclosing all facts relevant to any actual or potential

1 conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from
2 Class Counsel firm attesting to its competency to represent the Class Members; its timely
3 transmission to the LWDA of this Agreement (Labor Code section 2699, subd. (1)(2) (2016)); and
4 (vi) all facts relevant to any actual or potential conflict of interest with Class Members, and/or the
5 Administrator. In their Declarations, Plaintiffs and Class Counsel shall aver that they are not
6 aware of any other pending matter or action asserting claims that will be extinguished or adversely
7 affected by the Settlement.

8 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
9 for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a
10 prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary
11 Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the
12 Court, and deliver the Court's Preliminary Approval Order to the Administrator.

13 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
14 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
15 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
16 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
17 Preliminary Approval or conditions Preliminary Approval on any material change to this
18 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
19 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
20 otherwise satisfy the Court's concerns.

21 7. SETTLEMENT ADMINISTRATION.

22 7.1 Selection of Administrator. The Parties have jointly selected Apex Class Action to serve
23 as the Administrator and verified that, as a condition of appointment, the Administrator agrees to
24 be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement
25 in exchange for payment of Administration Costs. The Parties and their Counsel represent that
26 they have no interest or relationship, financial or otherwise, with the Administrator other than a
27 professional relationship arising out of prior experiences administering settlements.

28 7.2 Employer Identification Number. The Administrator shall have and use its own

1 Employer Identification Number for purposes of calculating payroll tax withholdings and
2 providing reports to state and federal tax authorities.

3 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
4 meets the requirements of a Qualified Settlement Fund (“QSF”) under US Treasury Regulation
5 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
6 the QSF prior to distribution by the Administrator will become part of the NSA for distribution
7 to Participating Class Members.

8 7.4 Notice to Class Members.

9 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
10 shall notify Class Counsel that the list has been received and state the number of Class Members,
11 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

12 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 days
13 after receiving the Class Data, the Administrator will send to all Class Members identified in the
14 Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice with
15 Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first
16 page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class
17 Payment and/or Individual PAGA Payment payable to the Class Member, and the number of
18 Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class
19 Notices, the Administrator shall update Class Member addresses using the National Change of
20 Address database.

21 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
22 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
23 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
24 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
25 Notice to the most current address obtained. The Administrator has no obligation to make further
26 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
27 USPS a second time.

28 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks

1 and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond
2 the 45 days otherwise provided in the Class Notice for all Class Members whose notice is re-
3 mailed. The Administrator will inform the Class Member of the extended deadline with the re-
4 mailed Class Notice.

5 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
6 discovers any persons who believe they should have been included in the Class Data and should
7 have received Class Notice, the Parties will expeditiously meet and confer in person or by
8 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
9 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
10 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
11 requiring them to exercise options under this Agreement not later than 14 days after receipt of
12 Class Notice, or the deadline dates in the Class Notice, whichever are later.

13 7.5 Requests for Exclusion (Opt-Outs).

14 7.5.1 8.5.1 Plaintiffs may not request exclusion from the Class. Class Members who
15 wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax,
16 email, or mail, a signed written Request for Exclusion not later than 45 days after the
17 Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class
18 Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her
19 representative that reasonably communicates the Class Member's election to be excluded from
20 the Settlement and includes the Class Member's name, address and email address or telephone
21 number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by
22 the Response Deadline. The date of the initial mailing of the Notice Packet, and the date the signed
23 request for exclusion was postmarked, shall be conclusively determined according to the records
24 of the Settlement Administrator. The Settlement Administrator shall immediately provide copies
25 of all Requests for Exclusion to Class Counsel and Defense Counsel and shall report the number
26 of Requests for Exclusion that it receives, to the Court, in its declaration to be provided in advance
27 of the Final Approval Hearing.

28 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails

1 to contain all the information specified in the Class Notice. The Administrator shall accept any
2 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
3 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
4 determination shall be final and not appealable or otherwise susceptible to challenge. If the
5 Administrator has reason to question the authenticity of a Request for Exclusion, the
6 Administrator may demand additional proof of the Class Member's identity. The Administrator's
7 determination of authenticity shall be final and not appealable or otherwise susceptible to
8 challenge.

9 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
10 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
11 bound by all terms and conditions of the Settlement, including the Participating Class Members'
12 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
13 Class Member actually receives the Class Notice or objects to the Settlement. A Class Member
14 cannot submit both a Request for Exclusion and an Objection. If a Class Member subjects both
15 an Objection and Request for Exclusion, the Request for Exclusion will control and the Objection
16 will be void.

17 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
18 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
19 right to object to the class action components of the Settlement. Because future PAGA claims are
20 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
21 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
22 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

23 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)
24 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for
25 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
26 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
27 may challenge the allocation by communicating with the Administrator via fax, email or mail. All
28 written disputes must contain the Class Member's address, telephone number, and a reference to

the Action. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 The Plaintiff may not object to the Settlement. 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 Enhancement Award.

7.7.2 Participating Class Members may send written objections, signed by the Objecting Class Member or his or her attorney, along with supporting papers, to the Administrator, by fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 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 date of the initial mailing of the Notice Packet, and the date the signed objection was postmarked, shall be conclusively determined according to the records of the Settlement Administrator. The Settlement Administrator shall send any objections it receives to Defense Counsel and Class Counsel within five (5) business days of receipt. The Court retains final authority with respect to consideration and admissibility of any Class Member objections. If a Class Member objects to the Settlement, the Class Member will remain a member of the Class and if the Court approves this Agreement, the Class Member will be bound by the terms of the Settlement in the same way and to the same extent as a Class Member who does not object.

1 7.7.3 Non-Participating Class Members have no right to object to any of the class action
2 components of the Settlement.

3 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
4 performed or observed by the Administrator contained in this Agreement or otherwise.

5 7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish,
6 maintain and use an internet website to post information of interest to Class Members including
7 the date, time and location for the Final Approval Hearing and copies of the Settlement
8 Agreement; Motion for Preliminary Approval; Preliminary Approval Order; Class Notice;
9 Motion for Final Approval; Motion for Class Counsel Fees Payment, Class Counsel Litigation
10 Expenses Payment and Enhancement Award; the Final Approval Order; and the Judgment. The
11 Administrator will also maintain and monitor an email address and a toll-free telephone number
12 to receive Class Member calls, faxes and emails.

13 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
14 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later
15 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
16 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
17 and other identifying information of Class Members who have timely submitted valid Requests
18 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class
19 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
20 Exclusion from Settlement submitted (whether valid or invalid).

21 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written reports
22 to Class Counsel and Defense Counsel that, among other things, tally the number of: Class
23 Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether
24 valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods
25 received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA
26 Payments ("Weekly Report"). The Weekly Reports must include the Administrator's assessment
27 of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and
28 objections received.

1 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
2 address and make final decisions consistent with the terms of this Agreement on all Class Member
3 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision
4 shall be final and not appealable or otherwise susceptible to challenge.

5 7.8.5 Administrator's Declaration. Not later than 14 days before the date by which
6 Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator
7 will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in
8 Court attesting to its due diligence and compliance with all of its obligations under this
9 Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned
10 as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total
11 number of Requests for Exclusion from Settlement it received (both valid or invalid), the number
12 of written objections and attach the Exclusion List. The Administrator will supplement its
13 declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
14 for filing the Administrator's declaration(s) in Court.

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

23 8. **ESCALATOR CLAUSE**. Based on its records, Defendant represents there are 230 Class
24 Members who collectively worked a total of 27,000 Workweeks during the Class Period. Should
25 the Workweeks increase more than 10% (i.e. more than 29,700 workweeks), the GSA will
26 increase on a proportional basis equal to the percentage increase in the number of Workweeks
27 worked by the Class Members above the 10% (for example, if the final number of total
28 workweeks increases by 15%, the GSA will increase 5%). If this provision is triggered so as to

1 increase the Gross Settlement Amount, the Parties agree that the portion of the Gross Settlement
2 Amount allocated to attorneys' fees will increase proportionally such that the total amount of
3 attorneys' fees remains one-third of the Gross Settlement Amount after the upward adjustment
4 required by this provision is implemented.

5 9. **MOTION FOR FINAL APPROVAL.** Not later than 16 (sixteen) court days before the
6 calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file
7 in Court, a Motion for Final Approval of the Settlement that includes a request for approval of
8 the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order;
9 and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide
10 drafts of these documents to Defense Counsel prior to filing the Motion for Final Approval. Class
11 Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and
12 in good faith, to resolve any disagreements concerning the Motion for Final Approval.

13 9.1 **Response to Objections.** Each Party retains the right to respond to any objection raised
14 by a Participating Class Member, including the right to file responsive documents in Court no
15 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
16 accepted by the Court.

17 9.2 **Duty to Cooperate.** If the Court does not grant Final Approval or conditions Final
18 Approval on any material change to the Settlement (including, but not limited to, the scope of
19 release to be granted by Class Members), the Parties will expeditiously work together in good
20 faith to address the Court's concerns by revising the Agreement as necessary to obtain Final
21 Approval. The Court's decision to award less than the amounts requested for the Enhancement
22 Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and/or
23 Administrator Costs Payment shall not constitute a material modification to the Agreement within
24 the meaning of this paragraph.

25 9.3 **Continuing Jurisdiction of the Court.** The Parties agree that, after entry of Judgment, the
26 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
27 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
28 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

1 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
2 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
3 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
4 counsel, and all Participating Class Members who did not object to the Settlement as provided in
5 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
6 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
7 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
8 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
9 obligations to perform under this Agreement will be suspended until such time as the appeal is
10 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
11 of the Net Settlement Amount.

12 9.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
13 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
14 modification of this Agreement (including, but not limited to, the scope of release to be granted
15 by Class Members), the Plaintiffs and Defendant shall each have the right, but not the obligation,
16 to void the Settlement, which either Party must do by giving written notice to the other Party, the
17 final reviewing court, and the Court no later than thirty (30) court days after the final reviewing
18 court's decision vacating, reversing, or materially modifying the Final Order becomes final and
19 non-appealable. The Parties shall nevertheless expeditiously work together in good faith to
20 address the appellate court's concerns and to obtain Final Approval and Entry of Judgment,
21 sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after
22 remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the
23 Enhancement Award or any payments to Class Counsel shall not constitute a material
24 modification of the Judgment within the meaning of this paragraph, as long as the Gross
25 Settlement Amount remains unchanged.

26 10. **AMENDED JUDGMENT**. If any amended judgment is required under Code of Civil
27 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended
28 judgment.

1 **11. ADDITIONAL PROVISIONS.**

2 11.1 No Admission of Liability, Class Certification or Representative Manageability for
3 Other Purposes. This Agreement represents a compromise and settlement of highly disputed
4 claims. Nothing in this Agreement is intended or should be construed as an admission by
5 Defendant that any of the allegations in the Operative Class Complaint or Operative PAGA
6 Complaint has merit or that Defendant has any liability for any claims asserted; nor should it be
7 intended or construed as an admission by Plaintiffs that Defendant's defenses in the Actions have
8 merit. The Parties agree that class certification and representative treatment is for purposes of this
9 Settlement only. If, for any reason, the Court does grant Preliminary Approval, Final Approval,
10 or enter Judgment, Defendant reserves the right to contest certification of any class for any reason,
11 Defendant reserves all available defenses to the claims in the Actions, and Plaintiffs reserve the
12 right to move for class certification on any grounds available and to contest Defendant's defenses.
13 The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing
14 on, and will not be admissible in connection with, any litigation (except for proceedings to enforce
15 or effectuate the Settlement and this Agreement).

16 11.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and
17 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
18 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
19 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
20 or indirectly, specifically or generally, to any person, corporation, association, government
21 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
22 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
23 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
24 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
25 agency. The Parties and their counsel agree that they will not publicize the Settlement, or issue
26 any press releases, initiate any contact with the media, respond to any media inquiry, or have any
27 communication with the press about the fact, amount or terms of the Settlement. In addition, the
28 Parties and their counsel agree that they will not engage in any advertising or distribute any

1 marketing materials relating to the Settlement of this case, including but not limited to any
2 postings on any websites, social media, and/or any professional organization, unless ordered by
3 the Court in any manner from which Defendant's identity can reasonably be ascertained.
4 Notwithstanding, the Parties shall undertake any and all disclosures which are required by law
5 including providing notice of the PAGA settlement to the LWDA pursuant to statute. Each Party
6 agrees to immediately notify the other Party of any judicial or agency order, inquiry, or subpoena
7 seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense Counsel separately
8 agree not to, directly or indirectly, initiate any conversation or other communication, before the
9 filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or
10 the matters giving rise to this Agreement except to respond only that "the matter was resolved,"
11 or words to that effect. This paragraph does not restrict Class Counsel's communications with
12 Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

13 11.3 No Solicitation. The Parties separately agree that they and their respective counsel and
14 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
15 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
16 to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's
17 ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

18 11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
19 together with its attached exhibits shall constitute the entire agreement between the Parties
20 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
21 inducements made to or by any Party.

22 11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
23 represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate
24 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
25 its terms, and to execute any other documents reasonably required to effectuate the terms of this
26 Agreement including any amendments to this Agreement, except for signing the documents,
27 including but not limited to this Settlement, that are required to be signed by the Parties.

28 11.6 Cooperation. The Parties and their counsel will cooperate with each other and use their

1 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
2 Settlement Agreement, submitting supplemental evidence and supplementing points and
3 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
4 or content of any document necessary to implement the Settlement, or on any modification of the
5 Agreement that may become necessary to implement the Settlement, the Parties will seek the
6 assistance of a mediator and/or the Court for resolution.

7 11.7 No Prior Assignments. The Parties separately represent and warrant that they have not
8 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
9 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
10 action, or right released and discharged by the Party in this Settlement. None of the rights,
11 commitments, or obligations recognized under this Settlement may be assigned by any Party,
12 Class Member, Class Counsel, or Defense Counsel without the express written consent of each
13 other Party and their respective counsel. The representations, warranties, covenants, and
14 agreements contained in this Settlement are for the sole benefit of the Parties under this
15 Settlement, and shall not be construed to confer any right or to avail any remedy to any other
16 person.

17 11.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
18 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
19 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
20 Part 10, as amended) or otherwise.

21 11.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
22 modified, changed, or waived only by an express written instrument signed by all Parties or their
23 representatives, and approved by the Court.

24 11.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
25 to the benefit of, the successors of each of the Parties.

26 11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
27 governed by and interpreted according to the internal laws of the state of California, without
28 regard to conflict of law principles.

1 11.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
2 of this Agreement. This Agreement will not be construed against any Party on the basis that the
3 Party was the drafter or participated in the drafting.

4 11.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
5 entered during Action and in this Agreement relating to the confidentiality of information shall
6 survive the execution of this Agreement.

7 11.14 Headings. The descriptive heading of any section or paragraph of this Agreement is
8 inserted for convenience of reference only and does not constitute a part of this Agreement.

9 11.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
10 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a
11 weekend or federal legal holiday, such date or deadline shall be on the first business day
12 thereafter.

13 11.16 Notice. All notices, demands, or other communications between the Parties in
14 connection with this Agreement will be in writing and deemed to have been duly given as of the
15 third business day after mailing by United States mail, or the day sent by email or messenger,
16 addressed as follows:

17 To Plaintiff:

18 John G. Yslas
19 john.yslas@wilshirelawfirm.com
Jeffrey C. Bils
20 jeffrey.bils@wilshirelawfirm.com
Aram Boyadjian
21 aram.boyadjian@wilshirelawfirm.com
Andrew Sandoval
22 andrew.sandoval@wilshirelawfirm.com
WILSHIRE LAW FIRM
23 660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
24 Telephone: (213) 513-5205
Facsimile: (213) 381-9989

25 To Defendant:

26 Nicole Sheth (SBN 253515)
27 Steven D. Whang (SBN 299009)
Paige Waldberg (SBN 347512)
28 **KAUFMAN BORGEESE & RYAN LLP**
21700 Oxnard Street, Suite 1450

Woodland Hills, CA 91367
Telephone: (818) 880-0992
Facsimile: (818) 880-0993

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

11.18 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 pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

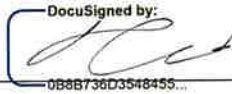
11.19 Invalidity of Any Provision. Before declaring any provision of this Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable. If any provision of this Agreement or the application thereof is held invalid, the invalidity shall not affect other provisions or applications of this Agreement which can be given effect without the invalid provisions or application and, to this end, the provisions of this Agreement are declared to be severable. Notwithstanding the foregoing, no portion of any release contained herein may be deemed severed or deleted from this Agreement, except upon waiver in writing by the applicable party.

11.20 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Orange County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

By the Parties:

DATED: 10/15/2025

DocuSigned by:

088B736D3548455...

Plaintiff Dane Carter

DATED: _____

Plaintiff Josue Camargo Luna

DATED: 10.17.25



Defendant Quantum Fuel Systems LLC

By: 
Position: Director

Approved by counsel:

DATED: 10/13/2025

WILSHIRE LAW FIRM

BY: 
John G. Yslas
Counsel for Plaintiffs Dane Carter and Josue Camargo Luna

DATED: 10/23/2025

KAUFMAN BORGEEST & RYAN LLP

BY: 
Nicole Sheth
Counsel for Defendant Quantum Fuel Systems, LLC

1 IT IS SO AGREED.

2
3
4 By the Parties:

5
6
7 DATED: _____

Plaintiff Dane Carter

8
9 DATED: 10/13/2025

DocuSigned by:

B5AAAAA8FD48647C...

Plaintiff Josue Camargo Luna

10
11
12
13 DATED: 10.17.25



Defendant Quantum Fuel Systems LLC

14
15 By: Eileen Wheatman
16 Position: Director

17
18 Approved by counsel:

19 DATED: 10/13/2025

WILSHIRE LAW FIRM

20
21 BY: 

John G. Yslas

22 Counsel for Plaintiffs Dane Carter and Josue Camargo
23 Luna

24
25 DATED: 10/23/2025

KAUFMAN BORGEEST & RYAN LLP

26
27 BY: 

Nicole Sheth

28 Counsel for Defendant Quantum Fuel Systems, LLC

EXHIBIT A

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

Carter, et al. v. Quantum Fuel Systems LLC,
Orange County Superior Court, Case Nos. 30-2023-01334066-CU-OE-CXC (lead), 30-2024-01378128-
CU-OE-CXC

***The Orange County Superior Court authorized this notice.
It is not junk mail, spam, an advertisement, or solicitation by a lawyer.
Please read it carefully! You are not being sued.***

You may be eligible to receive money as you have been identified as a Class Member (defined below) in a Lawsuit (defined below) brought by two former employees, Dane Carter and Josue Camargo Luna, of Quantum Fuel Systems LLC (“Defendant.”) Defendant denies all allegations in the Lawsuit and contends it fully complies with California law. However, to avoid the continuing expense of litigation, the Parties have reached a settlement of highly disputed claims (the “Settlement”).

The Class Action Settlement will affect all of Defendant’s non-exempt hourly-paid employees (“Class Members”) who worked for Defendant during the Class Period (January 2, 2019 through April 28, 2025) (the “Class Period”). The PAGA Settlement will affect all of Defendant’s non-exempt hourly employees who worked for Defendant from October 1, 2022 through April 28, 2025) (the “PAGA Period”).

The Court has preliminarily approved the Settlement, finding it to be fair, reasonable, adequate, and in the best interests of the Class Members. The proposed Settlement has two main parts: (1) a Class settlement requiring Defendant to fund Individual Class Payments, and (2) a PAGA settlement requiring Defendant to fund individual payments under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”), and pay PAGA Penalties to the California Labor and Workforce Development Agency (“LWDA”).

If the Court grants final approval of the Settlement, you will receive a settlement payment.

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

The above estimates are based on Defendant’s records showing that **you worked _____ Workweeks during the Class Period and you worked _____ Pay Periods during the PAGA Period.** If you believe that you worked more during either period, you can submit a challenge by the deadline date.

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

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

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

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u>	Stay in this Lawsuit. Receive a payment. Give up certain rights. By doing nothing, you become part of the Settlement Class (defined below), will receive a settlement payment, and will give up certain rights to sue Defendant separately about the legal claims raised in this Lawsuit.
ASK TO BE EXCLUDED – <u>ACTION REQUIRED</u>	Opt out of the Settlement. Receive no payment from the settlement for the Class claims, but receive an individual settlement share for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”). Keep rights to individually pursue only the Class claims. If you opt out of the Settlement, you won’t receive any share of the Class settlement, but you will retain the right to pursue your own legal claims against Defendant. However, even if you opt out, and if you worked from October 1, 2022, through April 28, 2025 as a non-exempt hourly employee of Defendant, you will still receive a portion of the PAGA settlement and will be deemed to have released the PAGA claims.
OBJECT TO THE SETTLEMENT – <u>ACTION REQUIRED</u>	Stay in this Lawsuit. May give up certain rights. You may write to the Settlement Administrator about why you object to the Settlement, and they will forward your concerns to the Court. If you object to the Settlement, you will remain a member of the Class (defined below), and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. If you timely object, you or your attorney may also address the Court during the Final Approval Hearing scheduled for [DATE AND TIME] in Department CX-104 of the Orange County Superior Court (Civil Complex Center) located at 751 West Santa Ana Blvd., Santa Ana, California 92701.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendant’s records indicate that you worked for Defendant Quantum Fuel Systems LLC at some point(s) between January 2, 2019 to April 28, 2025, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys' General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is October 1, 2022 to April 28, 2025.

If the Court grants Final Approval to the Settlement, a settlement Administrator appointed by the Court will issue the payments provided for by the Settlement to Class Members. You are encouraged to always keep your address up to date with the Administrator (the Administrator's contact information can be found in Section 12, below).

This Notice package explains the allegations and background regarding the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to receive those benefits.

The Court in charge of the Action is the Orange County Superior Court. The case is titled *Carter, et al. v. Quantum Fuel Systems LLC*, Case Nos. 30-2023-01334066-CU-OE-CXC (lead), 30-2024-01378128-CU-OE-CXC. The persons who sued, Dane Carter and Josue Camargo Luna, are the Plaintiffs, and the company sued, Quantum Fuel Systems LLC, is the Defendant.

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiffs in the lawsuits allege wage and hour violations against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods and pay meal period premiums; (4) failure authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; (9) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* In addition, Plaintiffs are seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiffs' claims and denies any wrongdoing and contends that Defendant fully complied with the applicable laws. The Court has made no ruling on the merits of Plaintiff's claims. The Court has only preliminarily approved this Settlement. The Court will decide whether to give final approval to the Settlement at the Final Approval Hearing.

3. WHY IS THIS A CLASS ACTION?

In an employment class action, one or more people called "Class Representatives" (in this case, the Plaintiffs) sue on behalf of all workers who they contend have similar claims. All of these workers are a Class or Class Members. Bringing one lawsuit, as opposed to many small ones, saves money, time and court resources. The court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. WHY IS THERE A SETTLEMENT?

There has been no trial and the Court did not decide in favor of the Plaintiffs or Defendant on the merits of the claims alleged in the lawsuit. By agreeing to the terms of the settlement, Defendant does not admit to any of the allegations of wrongdoing in this Action or that any Class Member has suffered any damages. Defendant settled the Lawsuit to avoid additional expense, inconvenience, and interference with its

business operations.. The Plaintiffs, as well as Plaintiffs’ lawyers (called “Class Counsel”), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes all current and former hourly, non-exempt employees who were employed by Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, in State of California at any time from January 2, 2019 through April 28, 2025.

If you still are not sure whether you are included in the Class, you can get free help by contacting Apex Class Action, the “Settlement Administrator,” at the designated phone number for this matter at [insert telephone number], or by calling or writing the lawyers representing the Class in this case (“Class Counsel”), at (213) 513-5205.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

You are not a Class Member if you already have resolved the claims asserted in this lawsuit, whether by settlement or a separate legal proceeding (i.e., another lawsuit).

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount (“GSA”) of \$1,250,000.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of one-third of the GSA or \$416,666.67 and reimbursement for reasonable costs; Enhancement Award of \$10,000.00, each, to the Plaintiffs (for Plaintiffs’ work and efforts prosecuting this case); a PAGA Penalties payment of \$75,000.00 to resolve the PAGA claims; and Settlement Administration Costs to Apex Class Action, not to exceed \$6,990.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately \$.00. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$75,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$56,250.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$18,750.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

An approximation of your Individual Class Payment appears on the first page of this Notice. If you are also an Aggrieved Employee, an approximation of your Individual PAGA Payment will also appear on the first page of this Notice.

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant's records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (January 2, 2019 through April 28, 2025). Ninety percent (90%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and ten percent (10%) of each Class Member's Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 10% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendant from October 1, 2022 through April 28, 2025 ("PAGA Period"), you are also an "Aggrieved Employee" and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees' Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

For the Class Members who are also Aggrieved Employees, their Individual Class Payment will be combined with their Individual PAGA Payment, and they will receive a single check for the combined payments. If a Class Member chooses to opt-out of the Settlement, they will still receive an Individual PAGA Payment, as Aggrieved Employees cannot opt-out of the PAGA portion of the Settlement. *See, e.g., Robinson v So. County Oil*, 53 Cal. App. 476 (2020).

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

You do not need to do anything to receive a payment. However, if you believe that the number of Workweeks or PAGA Pay Periods you worked is incorrect, please correct it and provide any supporting evidence to the Settlement Administrator, whose contact information is listed in Section 12 below.

10. WHEN WOULD I GET MY PAYMENT?

The Court will hold a Final Fairness Hearing on _____, to decide whether to approve the Settlement. If the Judge approves the Settlement, and anyone objects, there may be appeals. It is always uncertain when these objections and appeals can be resolved and resolving them can take time. If there is no objection, the Effective Date of the Settlement will be the date of entry of the Court's Order granting final approval.

Following the Effective Date, Individual Class Payments and Individual PAGA Payments will be mailed to Participating Class Members and Aggrieved Employees approximately 45 days after the Court's approval of the Settlement becomes final so long as there are no appeals.

Settlement checks should be cashed promptly upon receipt. Proceeds of checks which remain uncashed after 180 days from the date of issuance will be forwarded to the State of California Unclaimed Property Fund in the name of each Participating Class Member and/or Aggrieved Employee who did not cash his or her settlement check. If your settlement check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement. You can search for unclaimed property on the State's website at: https://www.sco.ca.gov/search_upd.html

For an update on the status of payments, please contact the Settlement Administrator (see Section 12).

11. WHAT RIGHTS AM I RELEASING IF I PARTICIPATE IN THE SETTLEMENT?

If the Court grants final approval of this Settlement, each Class Member who does not validly opt-out will be mailed an Individual Settlement Payment, and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and all of Defendant's officers, directors, employees and agents. ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

Plaintiffs' Release: Plaintiffs forever discharge Released Parties, as defined in Section 1.43, from all claims, transactions, debts, liabilities, demands, actions, causes of action, or occurrences, of every nature and description that accrued during the Class Period, under state law and the Wage Orders of the California Industrial Welfare Commission, that were alleged or which could have been alleged based on the factual allegations in the Actions, including, but not limited to (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Class Complaint; (b) all claims that were, or reasonably could have been alleged based on facts contained in the Operative PAGA Complaint, Plaintiffs' PAGA Notice, or ascertained during the Actions and released under 5.2 below; and (c) all claims arising under California Labor Code Sections 201-204, 206, 218.6, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800, 2802, and/or those arising under the Industrial Welfare Commission, including IWC Wage Orders 5-2001. California Business and Professions Code section 17200 et seq., California Code of Regulations, title 8, Section 11160, California Civil Code sections 3287, 3289, and 3294, and California Code of Civil Procedure section 1021.5 and all equivalent claims under federal law ("Plaintiffs' Release"). Plaintiffs' Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

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 transactions, debts, liabilities, demands, actions, causes of action or occurrences of every nature and description that accrued during the Class Period, under state law and the Wage Orders of the California

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

Industrial Welfare Commission, that were alleged or which could have been alleged based on the factual allegations in the First Amended Complaint in the Action, including, but not limited to: that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Class Complaint and ascertained in the course of the Action including, failure to pay wages, failure to authorize and permit rest periods, failure to indemnify for business expenses, failure to issue proper wage statements, failure to timely pay wages, failure to maintain required payroll records, failure to provide meal periods, and related allegations for the Class Period and (b) all claims arising under California Labor Code Sections 201-204, 206, 218.6, 226, 226.7, 510, 512, 1182.12, 1194, 1194.2, 1197, 1198, 2800, 2802, and/or those arising under the Industrial Welfare Commission Wage Orders, California Business and Professions Code section 17200 et seq., California Code of Regulations, title 8, Section 11160, California Civil Code sections 3287, 3289, and 3294, and California Code of Civil Procedure section 1021.5. Except as set forth in Section 5.4 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. (collectively the "Released Class Claims").

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 any and all claims, debts, liabilities, demands, actions, or causes of action of every nature and description that accrued during the PAGA Period, under state law and the California Labor Code, that were alleged or which could have been alleged based on the exhausted claims and factual allegations in Plaintiff's notices sent to the LWDA and alleged in the operative complaint, regardless of whether the Aggrieved Employees opt-out of the Settlement Agreement, including claims for civil penalties based on unpaid wages, including but not limited to failure to pay minimum wages, straight time compensation, overtime compensation, double time compensation and interest; failure to timely pay regular and final wages; failure to reimburse business expenses; missed meal period and rest period wages and premiums; meal period waivers and on-duty meal period waivers; payment for all hours worked; wage statements and paystubs, including wage statements and paystubs furnished or available in physical, electronic, or other forms; failure to keep accurate records; penalties, including recordkeeping penalties, wage statement penalties, minimum-wage penalties, and waiting-time penalties; statutory penalties and civil penalties; and attorneys' fees and costs. Without limiting the foregoing, the PAGA Released Claims include claims for civil penalties arising under California Labor Code Sections 201, 202, 203, 204, 206, 210, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2698 et seq., 2800, and 2802, and/or those arising under the Industrial Welfare Commission Wage Orders; PAGA; and/or those arising under the Industrial Welfare Commission Wage Orders; California Code of Regulations, title 8, Section 11160; and California Code of Civil Procedure section 1021.5s (collectively the "Released PAGA Claims").

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than 45 days after Class Notice is mailed (plus an additional 14 days for Class Members whose Class notice is re-mailed). Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

Apex Class Action
Quantum Fuel Systems LLC Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (October 1, 2022 through April 28, 2025). If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

13. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is 45 days after Class Notice is mailed (plus an additional 14 days for Class Members whose Class notice is re-mailed).

14. IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?

No. If you exclude yourself, you will not receive any money from this Settlement. However, if you timely exclude yourself from the Settlement, you will retain the right to pursue your own legal action against Defendant, if you desire.

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

The Court has determined that Wilshire Law Firm, PLC is qualified to represent you and the Class Members in the lawsuit. These lawyers are called Class Counsel and their contact information is listed below. If you want to be represented by your own lawyer, you may hire one at your own expense.

John G. Yslas
john.yslas@wilshirelawfirm.com
Jeffrey C. Bils
jeffrey.bils@wilshirelawfirm.com
Aram Boyadjian
aram.boyadjian@wilshirelawfirm.com
Andrew Sandoval
andrew.sandoval@wilshirelawfirm.com
WILSHIRE LAW FIRM
660 S. Figueroa St., Sky Lobby
Los Angeles, California 90017
Telephone: (213) 513-5205
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve \$416,666.67 (or 1/3 of the GSA) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of up to \$30,000.00 in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve a payment to Plaintiffs Dane Carter and Josue Camargo Luna in the amount of \$10,000.00, each, in addition to Plaintiffs' Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiffs have spent in service to the Class as the Class Representative. The Court may award a Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

You can and have the right to tell the Court you do not agree with the Settlement or some part of it.

17. HOW DO I TELL THE COURT THAT I OBJECT TO THE SETTLEMENT?

If you are a Class Member and would like to object to the Settlement, you must not submit a request for exclusion (i.e., must not opt out).

If you submit both a request for exclusion and an objection, you will be excluded from the Settlement (see sections 12- 14 above), and your objection will not be considered. To object, you can either (1) appear and object to the Settlement in person at the Final Approval Hearing, or (2) submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before _____, 2025, at the following address:

Apex Class Action
Quantum Fuel Systems LLC Settlement
XXXXX
City, State, XXXXX
Email:
Fax

All written objections must state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

18. WHAT'S THE DIFFERENCE BETWEEN OBJECTING AND REQUESTING EXCLUSION?

Objecting is simply telling the Court that you do not agree with something about the Settlement. You can object only if you stay in the Class.

Requesting exclusion is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you, and you do not get any money from this Settlement. If you submit both an objection and a request to be excluded from the settlement, the request to be excluded will control and you will not get any money from this settlement.

THE FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the Settlement. You may attend and you may ask to speak, but you don't have to.

19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at _____ on _____ in Department CX-105 of the Orange County Superior Court (Civil Complex Center) located at 751 West Santa Ana Blvd., Santa Ana, California 92701, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

20. DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer questions the Court may have. However, you are welcome to attend. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection to the settlement administrator on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

If you do nothing, you will receive a Settlement payment, and you will be bound by the terms of Settlement, which means that you will not be able to start a lawsuit, continue a lawsuit, or be a part of any other lawsuit against the Defendant about the legal issues in the Action.

GETTING MORE INFORMATION

QUESTIONS? CALL 1-800-XXX-XXXX TOLL FREE

22. HOW DO I GET MORE INFORMATION?

You may contact Class Counsel at the contact information listed above in Section 15 if you have any questions about the Settlement. You may also contact the Court-appointed Settlement Administrator, Apex Class Action, by calling toll free 1-800_____, or you can write to the Administrator at the following address:

Apex Class Action
Quantum Fuel Systems LLC Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

PLEASE DO NOT TELEPHONE THE COURT OR QUANTUM FUEL SYSTEM LLC'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

EXHIBIT 2

EXHIBIT 2

Theresa Chan

From: no-reply@formassembly.com
Sent: Tuesday, December 2, 2025 10:57 AM
To: Theresa Chan
Subject: Thank you for your Proposed Settlement Submission

12/02/2025 10:56:29 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

On 12/02/2025 10:56:29 AM your Proposed Settlement was successfully processed for case number LWDA-CM-997937-23

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website:

https://nam12.safelinks.protection.outlook.com/?url=http%3A%2F%2Flabor.ca.gov%2FPrivate_Attorneys_General_Act.htm&data=05%7C02%7Ctheresa.chan%40wilshirelawfirm.com%7C58dce191cbe843ac7ad808de31d488e2%7C9ada260a4f194da187b814d372333753%7C1%7C0%7C639002986073152211%7CUnknown%7CTWFpbGZsb3d8eyJFbXB0eU1hcGkiOnRydWUsIlYiOiwlLjAuMDAwMCIslIAiOiJXaW4zMilslkFOljoiTWFpbGlldUljoyfQ%3D%3D%7C0%7C%7C%7C&sdata=LLpyf6EkhzQkDq2ECItwk9SGbLQ3VvtKRZbaiUwr2dl%3D&reserved=0

EXHIBIT 3

EXHIBIT 3

WILSHIRE LAW FIRM, PLC

3055 Wilshire Blvd, 12th Floor
Los Angeles, CA 90010
Tel: (213) 381-9988
Fax: (213) 381-9989
www.wilshirelawfirm.com



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Justin F. Marquez, Esq.	Jeffrey Bills, Esq.
John Yslas, Esq.	Nathan Kingery, Esq.
Tae Kim, Esq.	Elizabeth Votra, Esq.
Jon Teller, Esq.	Benjamin Haber, Esq.
Johnny Ogata, Esq.	Ghazaleh Attaran, Esq.
Carolyn Shining, Esq.	Adam Sherman, Esq.
Brad Stuckey, Esq.	Jesenia Martinez, Esq.
Nicol Hajjar, Esq.	Arrash Fattahi, Esq.
Thiago Coelho, Esq.	Jesse Chen, Esq.
Christina Le, Esq.	

December 5, 2023

LWDA

Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612
(Via Online Submission)

Quantum Fuel Systems LLC
Attn.: Peter Sinajon
Agent for Service of Process
25372 Commercentre Drive
Lake Forest, CA 92630
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6577 1128 69

Aerotek, Inc.
7301 Parkway Dr.
Hanover, MD 21076
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6577 1128 76

Aerotek, Inc.
1100 Town and Country Road, Suite 1500
Orange, CA 92868
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6577 1128 83

CSC Lawyers Incorporation Service
Agent for Service of Process
Aerotek, Inc.
2710 Gateway Oaks Dr. Ste. 150N
Sacramento, CA 95833
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6577 1128 90

Nicole Sheth, Esq.
Steven D. Whang, ESQ.
KAUFMAN BORGEEST & RYAN LLP
21700 Oxnard Street, Suite 1450
Woodland Hills, CA 91367
(Via Certified Mail, Return Receipt Requested)
#9489 0090 0027 6577 1128 06

Re: ***Dane Carter and Josue Carmargo Luna v. Quantum Fuel Systems LLC, et al.***
Notice of Labor Code Violations and PAGA Penalties

To Whom It May Concern:

Please be advised that my office has been retained by Dane Carter and Josue Carmargo Luna ("Employees") to pursue a Labor Code Private Attorneys General Act of 2004 ("PAGA") representative action (Cal. Lab. Code §§ 2699, *et seq.*) against their former employers, Quantum Fuel Systems LLC and Aerotek, Inc. ("Employers"). The purpose of this letter is to comply with PAGA and set forth the facts and theories of California Labor Code violations which we allege Employers engaged in with respect to Employees and some or potentially all of Employers' Aggrieved Employees.

Employees wish to pursue this action on behalf of Employees as Aggrieved Employees, on behalf of the State of California, as well as on behalf of some or potentially all other persons who worked for Employers in California as a non-exempt or hourly-paid employee at any time within the applicable statutory period (hereafter, the "Aggrieved Employees").

Employees and the Aggrieved Employees, or some of them, suffered the Labor Code violations described below.

Employees' Employment with Employers

Quantum Fuel Systems LLC is a manufacturing company that specializes in fuel systems, fuel storage tanks, and fuel trailers. Aerotek, Inc. is a staffing agency. Employees worked as a machine operator and production winder. In performing their duties, Employees were regularly required to perform work (off-the-clock), without compensation. Employees were also frequently deprived of an opportunity to take legally compliant meal and rest breaks. Moreover, Employers failed to provide Employees and other Aggrieved Employees with the meal and rest break premiums as required by the Labor Code. Additionally, Employees incurred business-related expenses, but Employers failed to reimburse them for all such business-related expenses. These are just non-exhaustive examples of the facts and theories the Employees assert, which are described in more detail below.

Employers own/owned and operate/operated an industry, business, and establishment within the State of California. As such and based upon all the facts and circumstances incident to Employers' business in California, Employers are subject to the California Labor Code, Wage Orders issued by the Industrial Welfare Commission ("IWC"), and the California Business & Professions Code.

Employee Dane Carter is a resident of Camarillo, California who worked for Employers in Orange County, California as an hourly-paid, non-exempt employee from approximately June 2022 to approximately January 2023.

Employee Josue Carmargo Luna is a resident of Santa Ana, California who worked for Employers in Orange County, California as an hourly-paid, non-exempt employee from approximately March 2022 to approximately February 2023.

During their employment for Employers, Employers paid Employees an hourly wage and classified them as non-exempt from overtime. Employers typically scheduled Employees to work at least five days in a workweek and at least eight hours per day, but Employees also worked more than eight hours in a workday and more than forty (40) hours in a workweek.

Throughout Employees' employment, Employers failed to pay for all hours worked (including minimum, straight time, and overtime wages), failed to provide Employees with legally compliant meal periods, failed to authorize and permit Employees to take rest periods, failed to timely pay all final wages to Employees when Employers terminated Employees' employment, failed to furnish accurate wage statements to Employees, failed to indemnify Employees for business expenditures, and failed to timely produce Employees' requested employment records. As discussed below, Employees' experience working for Employers was typical and illustrative.

Failure to Pay for All Hours Worked, Including Minimum, Straight Time, and Overtime Wages

Under California law, an employer must pay for all hours worked by an employee. "Hours worked" is the time during which an employee is subject to the control of an employer and includes all the time the employee is suffered or permitted to work, whether or not required to do so.

In addition, Labor Code § 510 provides that employees in California shall not be employed more than eight hours in any workday or forty (40) hours in a workweek unless they receive additional compensation beyond their regular wages in amounts specified by law.

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Labor Code §§ 1194 and 1198 also provide that employees in California shall not be employed more than eight hours in any workday unless they receive additional compensation beyond their regular wages in amounts specified by law. Additionally, Labor Code § 1198 states that the employment of an employee for longer hours than those fixed by the IWC is unlawful.

Throughout the statutory period, Employers at times failed to pay Employees and the Aggrieved Employees, or some of them, for all hours worked, including minimum, straight time, and overtime wages. Employers at times required Employees and the Aggrieved Employees, or some of them, to work “off-the-clock,” uncompensated, by, for example, requiring Employees and the Aggrieved Employees to perform work during uncompensated meal periods and rest periods, and requiring Employees and the Aggrieved Employees to perform work before clocking in and/or after clocking out. Some of this unpaid work should have been paid at the overtime rate. California Labor Code § 510 requires that employers compensate employees 1.5 times their regular rate of pay when employees work over eight hours per day, 40 hours per week, or when employees work up to eight hours on any seventh day of a workweek. Employer at times failed to properly calculate Employees’ regular rate of pay when paying overtime, by failing to include all compensation in Employees’ overtime calculations. In failing to pay for all hours worked, Employers also failed to maintain accurate records of the hours Employees and the Aggrieved Employees, or some of them, worked.

Throughout the statutory period, Employers also engaged, at times, in a practice of improper rounding. Under *Camp v. Home Depot U.S.A., Inc.* (2022) 84 Cal.App.5th 638, because Employers could and did track the exact time in minutes that Employees worked, they must pay for all time worked. When an employer uses an electronic timekeeping system to record time worked, this ability to “precisely capture time worked” means that “the employer must pay the employee for that worktime when due.” (*Id.* at 671.) As a result of Employers’ rounding policy, Employees consistently were not compensated at least minimum wage for all hours that Employees worked.

As a result, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210, 1197.1, and 2699(f)(2) for failing to pay for all hours worked, including minimum, straight time, and overtime wages.

Failure to Provide Meal Periods

Under California law, employers have an affirmative obligation to relieve employees of all duty in order to take their first 30-minute, duty-free meal periods no later than the start of sixth hour of work in a workday, and to allow employees to take their second 30-minute, duty-free meal period no later than the start of the eleventh hour of work in the workday. Further, employees are entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s).

Despite these legal requirements, Employers at times wrongfully failed to provide Employees and the Aggrieved Employees, or some of them, with their legally mandated 30-minute, uninterrupted, and duty-free meal period in a manner required by law (and also including but not limited to failing at times to provide Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take meal periods). Employers also continued to assert control over Employees and the Aggrieved Employees, or some of them, by, among other things, requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory meal periods, or by denying Employees and the Aggrieved Employees, or some of them, permission to take a meal period under the conditions required by law, and without properly compensating Employees and the Aggrieved Employees, or

some of them, for meal periods that were not provided as required by law. Employers also did not inform Employees of their right to, nor permitted them to take, all of Employees' second meal periods when they worked at least ten hours of work in a workday and otherwise unlawfully pressured Employees to waive such breaks. Accordingly, Employers at times failed to provide meal periods to Employees and the Aggrieved Employees, or some of them, in compliance with California law.

Employees and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not provided with all required meal period(s). Employers, however, at times failed to pay Employees and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for meal periods that were not provided.

As a result, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to provide meal periods and pay meal period premium wages.

Failure to Authorize and Permit Rest Periods

Employers are required by California law to authorize and permit breaks of ten uninterrupted minutes for each four hours of work or major fraction of four hours (i.e., more than two hours). Thus, for example, if an employee's work time is six hours and ten minutes, the employee is entitled to two rest breaks. Each failure to authorize rest breaks as so required is itself a violation of California's rest break laws.

Throughout the statutory period, Employers at times have wrongfully failed to authorize and permit Employees and the Aggrieved Employees, or some of them, to take legally compliant rest periods in a manner required by law (and also including but not limited to failing, at times, to authorize and permit Plaintiff, the Class, and the Aggrieved Employees, or some of them, the opportunity to leave the work premises to take rest periods). Employers at times required Employees and the Aggrieved Employees, or some of them, to work in excess of four consecutive hours a day without Employers authorizing and permitting Employees to take a 10-minute, uninterrupted, duty-free rest period for every four hours of work (or major fraction of four hours), or without compensating Employees and the Aggrieved Employees, or some of them, for rest periods that were not authorized or permitted. Instead, Employers at times continued to assert control over Employees and the Aggrieved Employees, or some of them, by requiring, pressuring, or encouraging them to perform work tasks which could not be completed without working in lieu of taking mandatory rest periods, or by denying Employees and the Aggrieved Employees, or some of them, permission to take a rest period. Accordingly, Employers at times failed to authorize and permit Employees and the Aggrieved Employees, or some of them, to take rest periods in compliance with California law.

Employees and the Aggrieved Employees, or some of them, are thus entitled to be paid one hour of additional wages for each workday they were not authorized and permitted to take all required rest period(s). Employers, however, at times failed to pay Employees and the Aggrieved Employees, or some of them, the additional wages to which they were entitled for rest periods that they were not authorized and permitted to take.

As a result, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 210 and 2699(f)(2) for failing to authorize and permit rest periods and pay rest period premium wages.

Failure to Pay All Earned Wages Twice Per Month

Based on Employers' failure at times to pay Employees and the Aggrieved Employees, or some of them, for all wages as discussed above, Employers also violated Labor Code § 204.

Labor Code § 204 requires employers to pay employees all earned wages two times per month. Throughout the statute of limitations period applicable to this cause of action, employees were entitled to be paid twice a month at their regular rates, including all meal period premium wages owed, rest period premium wages owed, and wages owed for overtime hours worked. However, at times, Employers failed and refused to pay the Employees all wages due, and failed to pay those wages twice a month, in that Employees were not paid all wages for all meal periods not provided by Employers, all wages for all rest periods not authorized and permitted by Employers, and all wages for all hours worked. As a result, Employers owe Employees the legally required wages for unpaid wages, and Employees and the Aggrieved Employees, or some of them, suffered damages in those amounts.

Moreover, Employers are liable to Employees and the Aggrieved Employees for the civil penalties provided for in Labor Code § 210 for failing to pay all earned wages twice per month.

Failure to Maintain Accurate Records of Hours Worked and Meal Periods

Employees seek penalties under California Labor Code § 1174(d). Pursuant to California Labor Code § 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by California Labor Code § 1174 is subject to a penalty under § 1174.5. Pursuant to the applicable IWC Order § 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

Employers, however, at times failed to maintain accurate records of hours worked and all meal periods taken or missed by Employees and the Aggrieved Employees, or some of them.

Employers' failure to provide and maintain records required by the California Labor Code and the applicable IWC Wage Orders deprived Employees and the Aggrieved Employees, or some of them, the ability to know, understand and question the accuracy and frequency of meal periods, and the accuracy of their hours worked stated in Employers' records. Therefore, Employees and the Aggrieved Employees, or some of them, had no way to dispute the resulting failure to pay wages, all of which resulted in an unjustified economic enrichment to Employers. As a direct result, Employees and the Aggrieved Employees, or some of them, have suffered and continue to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on such wages and expenses and attorneys' fees in seeking to compel Employers to fully perform their obligation under state law, all to their respective damage in amounts according to proof at trial. As a result of Employers' knowing failure, at times, to comply with the California Labor Code and applicable IWC Wage Orders, Employees and the Aggrieved Employees, or some of them, have also suffered an injury in that they were prevented from knowing, understanding, and disputing the wage payments paid to them.

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Failure to Timely Pay All Wages at Termination

Labor Code §§ 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and that if an employee voluntarily leaves his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.

Within the applicable statute of limitations, the employment of Employees and many other Aggrieved Employees ended, i.e., was terminated by quitting or being discharged, and the employment of others will be terminated. However, during the relevant time period, Employers at times failed, and continue at times to fail to pay Employees and terminated Aggrieved Employees, or some of them, without abatement, all wages required to be paid by Labor Code sections 201 and 202 either at the time of discharge, or within seventy-two (72) hours of their leaving Employers' employment. These unpaid wages include wages for unpaid work time (including minimum, straight time, and overtime wages), missed meal period premium wages, and missed rest period premium wages.

Employers' conduct violates Labor Code §§ 201 and 202. Labor Code § 203 provides that if an employer willfully fails to pay wages owed, in accordance with sections 201 and 202, then the wages of the employee shall continue as a penalty wage from the due date, and at the same rate until paid or until an action is commenced; but the wages shall not continue for more than thirty (30) days.

Accordingly, Employees and the Aggrieved Employees, or some of them, are entitled to recover from Employers their additionally accruing wages for each day they were not paid, at their regular hourly rate of pay, up to thirty (30) days maximum pursuant to Labor Code § 203.

Moreover, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 2699(f)(2) for failing to timely pay all wages at termination.

Failure to Furnish Accurate Itemized Wage Statements

Labor Code § 226(a) provides that every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees an accurate itemized wage statement in writing showing nine pieces of information, including: (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and the last four digits of his or her social security number or an employee identification number other than a social security number, (8) the name and address of the legal entity that is the employer, and (9) all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee. An employee is presumed to suffer an injury if this information is missing. (Lab. Code § 226(e)(2)(B)(iii).)

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The statute further provides: “An employee suffering injury as a result of a knowing and intentional failure by an employer to comply with subdivision (a) is entitled to recover the greater of all actual damages or fifty dollars (\$50) for the initial pay period in which a violation occurs and one hundred dollars (\$100) per employee for each violation in a subsequent pay period, not to exceed an aggregate penalty of four thousand dollars (\$4,000), and is entitled to an award of costs and reasonable attorney’s fees.” (Lab. Code § 226(e)(1).)

Throughout the statutory period, Employers at times failed to, and continue at times to fail, to timely furnish Employees and the Aggrieved Employees, or some of them, with accurate, itemized wage statements showing all applicable hourly rates, and all gross and net wages earned (including correct hours worked, correct wages for meal periods that were not provided in accordance with California law, and correct wages for rest periods that were not authorized and permitted to take in accordance with California law).

Because Employers at times violated Labor Code § 226, Employees and similarly Aggrieved Employees, or some of them, suffered injury and damage to their statutorily protected rights. Accordingly, Employees and similarly Aggrieved Employees, or some of them, are entitled to recover from Employers the greater of their actual damages caused by Employers’ failure to comply with Labor Code § 226(a), or an aggregate penalty not exceeding four thousand dollars (\$4,000) per employee. Moreover, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code § 226.3 for failing to timely furnish accurate itemized wage statements.

Failure to Indemnify for Necessary Expenditures

Labor Code § 2802(a) provides that employers shall indemnify their employees for all necessary business expenditures or losses that have been incurred by the employees in direct discharge of his or her duties. Throughout the statute of limitations period applicable to this cause of action, Employers at times wrongfully required Employees and the Aggrieved Employees, or some of them, to pay expenses that they incurred in direct discharge of their duties for Employers. Employees and the Aggrieved Employees, or some of them, at times paid out-of-pocket for necessary employment-related expenses. Employees and the Aggrieved Employees, or some of them, incurred substantial expenses as a direct result of performing their job duties for Employers, but Employers failed to indemnify Employees and the Aggrieved Employees for these employment-related expenses.

As a result, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 2802 and 2699(f)(2) for failing to indemnify Employees and the Aggrieved Employees, or some of them, for necessary business expenditures.

Failure to Produce Requested Employment Records

Labor Code § 226 provides that current and former employees have the right to inspect or receive a copy of their records pertaining to their employment, upon reasonable request to their employer. Under this statute, an employer that receives a request to inspect or receive a copy of records pertaining to a current or former employee must comply with the request as soon as practicable, but no later than twenty-one (21) calendar days from the date of the request. Labor Code § 1198.5(a) also provides that every current and former employee, or his or her representative, has the right to inspect and receive a copy of the personnel records that the employer maintains relating to the employees’ performance or to any grievance concerning the employee. Under this statute, upon written request from a current or former employee or his or her representative, an employer

must make the contents of those personnel records available for inspection or provide a copy of the personnel records to the current or former employee, or his or her representative, not later than thirty (30) calendar days from the date the employer receives the written request, subject to some limited exceptions. Labor Code § 432 provides that if an employee or applicant signs any instrument relating to the obtaining or holding of employment, he or she shall be given a copy of the instrument upon request. On information and belief, Employees and the Aggrieved Employees, or some of them, submitted written request(s) to Employers for their payroll records, timecards, and personnel records but did not timely receive them as required by the Labor Code.

As a result, Employers are liable to Employees and the Aggrieved Employees, or some of them, for the civil penalties provided for in Labor Code §§ 226(f), 1198.5(k), and 2699 for failing to timely produce the requested records.

Recordkeeping Requirement Violations

California Labor Code section 1174 requires employers to keep “accurate and complete” payroll records showing, among other things, the hours worked daily by Employees and Aggrieved Employees. All applicable IWC Wage Orders, section 7 similarly requires employers to keep accurate time records reflecting the times during which all owed meal periods were provided each day.

Based on information and belief, Employers at times failed, and continue at times to fail, to keep accurate and complete payroll records as required by law, including but not limited to the following records: total daily hours worked, applicable rates of pay, time records showing when Employees and other Aggrieved Employees began and ended each work period, time records of meal periods, and accurate itemized wage statements.

Based on information and belief, Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by Employees and Aggrieved Employees, or some of them, by virtue of Employers’ time rounding and/or auto deduction policies and practices and/or other off-the-clock work policies and practices.

Employers at times failed and continue at times to fail to keep accurate and complete records showing total hours worked by virtue of Employers’ failure to relieve Employees and Aggrieved Employees, or some of them, of all duties and Employers’ control for unpaid meal periods, resulting in unpaid hours worked.

Based on information and belief, Employers further failed at times, and continue at times to fail, to record the true start and end times of Employees’ and Aggrieved Employees’ meal periods, or some of them.

Based on further information and belief, Employers further failed at times and continue at times to fail, to record the true start and end times of Employees’ and Aggrieved Employees’ work shifts, or some of them.

Additionally, Employers at times failed, and continue at times to fail to keep accurate records and issue accurate wage statements by not documenting accrued sick time for Employees and Aggrieved Employees, or some of them.

Employers’ failure to keep “accurate and complete” payroll records for Employees and Aggrieved Employees, or some of them, violates Labor Code sections 1174, 1198, 1199, and all applicable

IWC Wage Orders, section 7. These violations subject Employers to civil penalties under Labor Code sections 558.1, 226.6, 1174.5 and 2699. Each violation of each Labor Code section and Wage Order provision, for each Aggrieved Employees (or some of them), results in a separate civil penalty.¹

Violation of Wage Theft Protection Act of 2011

Based on information and belief, Employers failed at times, and continue at times to fail, to comply with the notice requirements of Labor Code section 2810.5 (*i.e.*, the Wage Theft Protection Act of 2011) by, among other things, failing to provide Employees and Aggrieved Employees, or some of them, with the rates of pay and overtime rates of pay applicable to their employment, allowances claimed as part of the minimum wage, the regular payday designated by Employers, the name of the employer, including any “doing business as” names used, the name, address and telephone number of the workers’ compensation insurance carrier, information regarding paid sick leave, and other pertinent information required to be disclosed by Employers under Labor Code section 2810.5. Employees are informed and believe that failure to provide such information, including rates of pay that are in effect, has permitted Employers to pay Aggrieved Employees, or some of them, at rates of pay that were not agreed upon and violate minimum wage and overtime wage laws in California. Employees are additionally informed and believe that the notice requirement of Labor Code section 2810.5 involves a mandatory payroll or workplace injury reporting. Among other relief, Aggrieved Employees, or some of them, may collect from Employers in connection with these violations’ civil penalties pursuant to Labor Code sections 558 and 2699.

Violation of California Labor Code §§ 245-248.5

Throughout the relevant time period, Employers at times failed to provide proper paid sick leave to Employees and other Aggrieved Employees, or some of them. Employers either failed at times to provide paid sick leave at all or improperly calculated the sick leave accrual and the sick leave rate of pay owed to Employees and other Aggrieved Employees, or some of them, by failing at times to base the accrued sick leave hours on the correct number of hours worked (as a result of the rounding/automatic deduction policies and practices for meal periods and/or shift start and end times/other required off-the-clock work including but not limited to unpaid meal periods that were restricted to Employers’ premises) and by failing to incorporate multiple rates of pay and/or all non-discretionary remuneration, including but not limited to, non-discretionary bonuses, shift differential pay and/or other non-discretionary compensation into the sick leave pay rate calculation.

Based on information and belief, Employers further failed to provide notice of the correct sick leave amount balance available to Employees and other Aggrieved Employees on their wage statements or other written statement.

Based on information and belief, Employers failed to put NON-EXEMPT AGGRIEVED on notice of their paid sick leave rights—or thereby putting their entitlement to sick leave in a Labor Code section 2810.5 notice. In addition, Employers failed to maintain accurate records of used sick leave and the balance of paid sick leave left to the NON-EXEMPT AGGRIEVED EMPLOYEE throughout the relevant time period.

¹ See Lab. Code §2699(f)(2) (establishing that the civil penalty is “for each aggrieved employee per pay period”).

Based on information and belief, throughout the relevant period, Employers failed to provide notice of sick leave amount balance left for Employees and other Aggrieved Employees, thus affecting their intelligent exercise of their paid sick leave. But for this failure, Employees and other Aggrieved Employees would have used their paid sick leave at least prior to their respective separations, for as on several occasions thereafter, he or she would have been entitled to use the banked sick leave and earn appropriate compensation.

This illegal retention of paid sick leave is unlawful, and Employees seek all forms of injunctive relief, restitution, and declaratory relief as permitted by California law, on behalf of Employees and all Aggrieved Employees.

In violation of Labor Code section 247.5, Employers failed to maintain records documenting the hours worked and paid sick days accrued and used by Employees and all Aggrieved Employees, permitting the presumption that Employees and all Aggrieved Employees were entitled to the maximum number of hours accruable under this article.

Upon information and belief, Employers further failed and continue to fail to comply with Labor Code section 246, by failing to provide Employees and all Aggrieved Employees with a Labor Code section 226 wage statement, or separate writing containing the amount of paid sick leave available, or paid time off leave an employer provides in lieu of sick leave, at the time it pays wages.

Employers unlawfully retained and continue to retain paid sick leave that should have been paid but was not, as a result of Employers' failure to properly institute a paid sick leave program.

On information and belief, Employees allege that all of these practices were experienced and continue to be experienced by other Aggrieved Employees.

Employees request all appropriate relief under the PAGA and these statutes, including but not limited to the restitution of earned paid sick leave that could have been used, but was not due to Employers' sole failure to institute such a paid sick leave entitlement or paid sick leave bank as required by California law.

Accordingly, Employees and other Aggrieved Employees are entitled to injunctive relief, attorney's fees, declaratory relief, restitution, and penalties as permitted by law. Employees request all relief pursuant to the aforementioned code provisions, including but not limited to Labor Code sections 233 and 234, which incorporates the paid sick leave requirements.

Failure To Provide Supplemental Paid Sick Leave

Labor Code section 248.2 provides that all employers with 26 or more employees are required to provide up to 80 hours for covered employees to take 2021 COVID-19 Supplemental Paid Sick Leave to care for themselves, to care for a family member or if it is vaccine-related. Based on information and belief, Employers violated Labor Code section 248.2 by not providing Aggrieved Employees with required 2021 COVID-19 Supplemental Paid Sick Leave.

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Refusal to Make Payment

Labor Code section 216 declares unlawful an employer's refusal to pay wages due and payable and/or denial of the validity of any claim to wages due.

Employers violated and continue to violate Labor Code section 216 by failing to pay Employees and all Aggrieved Employees for all hours worked at the proper wage rate and by failing to pay Employee and all Aggrieved Employees an additional hour of pay for each meal and/or rest period not provided or that was invalid. *Gould v. Maryland Sound Industries, Inc.* (1995) 31 Cal.App.4th 1137, 1154-1155.

These violations subject Employers to civil penalties under Labor Code section 225.5. Each violation results in a *separate* civil penalty, for each NON-EXEMPT AGGRIEVED EMPLOYEE, for each pay period during which the statute's provisions were violated.²

Seating Violations

Per section 14(A-B) of all applicable IWC Wage Orders, employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats and when they are not actively engaged in the work duties that would not permit them to be seated.

All applicable IWC Wage Orders, Section 14(A-B) provides:

(A) All working employees shall be provided with suitable seats when the nature of the work reasonably permits the use of seats.

(B) When employees are not engaged in the active duties of their employment and the nature of the work requires standing, an adequate number of suitable seats shall be placed in reasonable proximity to the work area and employees shall be permitted to use such seats when it does not interfere with the performance of their duties.

Suitable seating is one of the worker protections covered by California's Wage Orders, which have the same dignity as statutes, are remedial in nature and are to be broadly construed to effectuate the goal of protecting the comfort and welfare of employees. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1027 (2012).

Based on information and belief, Employers failed to provide Aggrieved Employees with suitable seating, and when such employees were not engaged in duties which required them to stand, no seating was placed in reasonable proximity to their workstations.

Moreover, based on information and belief, the nature of the work reasonably permitted the use of seats for at least part of the time that Aggrieved Employees were working. Lastly, based on information and belief, there were periods of time when Aggrieved Employees were not engaged

² Labor Code § 225.5 (establishing that “[i]n addition to, and entirely independent and apart from, any other penalty provided in this article, every person who unlawfully withholds wages due any employee in violation of sections 212, 216, 221, 222, or 223 shall be subject to a civil penalty...for each failure to pay each employee”) (emphasis added).

in active duties of their employment, yet there were no suitable seats in reasonable proximity to the work area and use of seats would not interfere with the performance of their duties.

Employers' Aggrieved Employees worked in various positions. The nature of Employees' and other Aggrieved Employees' work reasonably permitted the use of seats. However, Employers failed to provide suitable seating in reasonable proximity to Aggrieved Employees' work areas in violation of section 14(A-B) of all applicable Wage Orders, and Labor Code sections 1198 and 1199, subjecting Employers to civil penalties under Labor Code sections 1199 and 2699. Each violation of each Labor Code section and IWC Wage Order provision, for each NON-EXEMPT AGGRIEVED EMPLOYEE, results in a separate civil penalty.³

Statutory Wage Violations

Labor Code section 223 makes it unlawful for an employer to secretly pay wages lower than required by statute while purporting to pay legal wages.

As described above, Employers willfully and systematically denied Employees and other Aggrieved Employees of minimum and overtime wage compensation for all hours worked which resulted in the payment of less than statutorily required wages owed to them. Employers acted with the intent to deprive them of statutory wages, including, but not limited to, overtime wages and minimum wages, to which they were entitled to under California law.

Thus, Employers paid Employees and other Aggrieved Employees lower wages than those they were entitled to while purporting that Employees and all Aggrieved Employees were properly paid. As such, Employees and all Aggrieved Employees are entitled to recover penalties, attorney's fees, costs, and interest thereon, pursuant to Labor Code § 2699(f)-(g).

Failure to Pay Vested Vacation/Paid Time Off

California Labor Code section 227.3 provides that when an employer policy provides for paid vacations and/or paid time off, and an employee is terminated without having taken off his, her, or their vested vacation time, all vested vacation shall be paid to the employee as wages at the employee's final rate in accordance with such contract of employment or employer policy respecting eligibility or time served and that there shall be no forfeiture of vested vacation time or paid time off upon termination. Based on information and belief, Employers had and continue to have a uniform policy and practice of failing to allow Aggrieved Employees and Exempt Aggrieved Employees to use their earned vacation/paid time off during their employment and failing to pay all vested, accrued paid time off to Aggrieved Employees and/or Exempt Aggrieved Employees upon separation of employment, in violation of California law, including but not limited to, Labor Code section 227.3.

Failure to Timely Provide Temporary Workers with Owed Wages

On information and belief, Employers had and have a policy of failing to provide all temporary workers with owed wages weekly by not later than the regular payday of the following week. As a result, pursuant to Labor Code section 201.3, Employers would be liable for civil penalties pursuant to Labor Code sections 201.3.

³ See Lab. Code §2699(f)(2) (establishing that the civil penalty is "for each aggrieved employee per pay period").

Unlawful Agreements/ Unlawful Criminal History Inquiries

Unlawful Agreements

Labor Code section 432.5 provides that “no employer ... shall require any employee or applicant for employment to agree, in writing, to any term or condition which is known by such employer ... to be prohibited by law.” Based on information and belief, Employers required Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful conditions of employment including but not limited to, unlawful non-compete and/or non-solicitation agreements as well as unlawful criminal and/or financial checks as a condition of obtaining and/or continuing employment in violation of Labor Code section 432.5.

The California Labor Code places certain procedural and substantive limits on employers’ ability to conduct employee background checks and on how employers can use the information they obtain through those background checks. Labor Code section 1024.5 states that employers, except for financial institutions, may order a credit check only if the individual works (or is applying to work) in certain positions (e.g., managerial positions, financially related positions, and certain government positions). Additionally, the Investigative Consumer Reporting Agencies Act (ICRAA - CA Civil Code section 1786, *et seq.*) and the Fair Credit Reporting Act (FCRA - 15 U.S.C. section 1681, *et seq.*) mandate several requirements prior to and following an employee background check, including but not limited to identifying an appropriate reason for the background check, a separate consent form with required disclosures and certain formatting requirements, additional forms such as a summary of rights, a way by which to request a copy of the report, as well as proper notice of adverse actions taken, among other statutory requirements.

Based on information and belief, Employers ordered unlawful financial credit checks on Aggrieved Employees and Exempt Aggrieved Employees, in violation of Labor Code section 1024.5, and required Aggrieved Employees and Exempt Aggrieved Employees to provide ongoing written consent to the unlawful credit checks as a condition of employment, in violation of California and Federal law, which results in a further violation of Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to submit and/or agree to submit in writing to unlawful criminal background checks as a condition of obtaining and/or holding employment in violation of the ICRAA and the FCRA. For example, based on information and belief, Employers required Employees to submit and/or agree to submit in writing to an unlawful background check as a condition of obtaining and/or holding employment in violation of, including but not limited to, Labor Code section 432.5.

Based on information and belief, Employers required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to a background check which failed to abide by the requirements set forth in CA Civil Code section 1786, *et seq.* and 15 U.S.C. section 1681, *et seq.*, including but not limited to by failing to provide a clear and conspicuous disclosure (and/or failing to provide any disclosure at all), failing to provide disclosures free of extraneous information, failing to provide a lawful purpose for the background check, failing to provide a summary of rights under the ICRAA and/or the FCRA, failing to provide a way by which the individual could request a copy of the report, failing to disclose the name, address, and telephone number of the third party preparing the report, and failing to properly obtain authorization or consent to such a background check, and thus was an unlawful background check.

By requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to unlawful criminal and/or financial checks not in conformance with the applicable laws, Employers violated Labor Code section 432.5.

Based on information and belief, Employers also required Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to provide ongoing consent to Employers to conduct background checks throughout the duration of employment, in violation of the ICRAA and/or FCRA and/or other applicable laws, resulting in a further violation of Labor Code section 432.5, by requiring applicants and employees to agree to an unlawful provision as a condition of employment.

Based on further information and belief, Employers knew that requiring Aggrieved Employees and Exempt Aggrieved Employees to agree to unlawful criminal and/or financial background checks as a condition of obtaining and/or holding employment was unlawful.

By requiring Aggrieved Employees and Exempt Aggrieved Employees agree in writing to unlawful provisions as a condition of employment, Employers violated Labor Code section 432.5.

Unlawful Inquires into Criminal History

Labor Code section 432.7 prohibits an employer from asking applicants about past arrest(s) unless they resulted in conviction(s) and even then, certain limitations apply. Based on information and belief, Employers asked Aggrieved Employees, and Exempt Aggrieved Employees about arrests not resulting in convictions on their employment application, in violation of California law.

Upon information and belief, Employers, in violation of California law, including but not limited to the Fair Chance Act/the California Fair Employment and Housing Act (“FEHA”), asked Aggrieved Employees and Exempt Aggrieved Employees about convictions prior to extending an offer of employment and/or otherwise impermissibly inquired into criminal history on their employment application in violation of California law.

By asking about arrests not resulting in convictions, Employers violated Labor Code section 432.7. By asking about convictions at the application phase or prior to extending an employment offer, Employers violated California’s Fair Chance Act, and thereby violated Labor Code section 432.5 by unlawfully requiring Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to disclose arrests and/or convictions as a condition of employment.

Unlawful PAGA Waiver

Additionally, Employers violated Labor Code section 432.5 by requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to other unlawful agreements, including but not limited to, an unlawful waiver of PAGA and or representative actions as a condition of employment.

An action pursuant to PAGA “...is a representative action on behalf of the state” *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87. It is well settled that agreements purporting to waive an employee’s right to a trial of PAGA claims is contrary to California law and unenforceable. *See Iskanian v CLS Transportation Los Angeles, LLC* (2014) 59 Cal. 4th 348, 384 (“We conclude that where, as here, an employment agreement compels the waiver of representative claims under the PAGA, it is contrary to public policy and unenforceable as a matter of state law.”)

Moreover, the California Supreme Court has ruled that a court cannot compel arbitration of an aggrieved employee’s individual PAGA claim because there is no such thing as an individual PAGA claim. *Kim v Reins Int’l California, Inc.*, (2020) 9 Cal. 5th 73, 86-87 (“There is no individual component to a PAGA action because ‘every PAGA action ... is a representative action on behalf of the state.’”)

Upon information and belief, Employers required Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree in writing to waive their right to a trial of PAGA claims in violation of California law. By requiring Employees, Aggrieved Employees and Exempt Aggrieved Employees to agree, in writing, to an unlawful PAGA waiver, Employers required written agreement to an unlawful provision as a condition of employment which is a violation of labor code section 432.5.

As such, Employees, Aggrieved Employees and Exempt Aggrieved Employees continue to be subject to various unlawful provisions as a condition of employment.

Preventing Employees from Using or Disclosing Skills, Knowledge, and Experience

On information and belief, Employers had and have a policy or practice of preventing Employees and/or other Aggrieved Employees from using or disclosing the skills, knowledge, and experience they obtained at Employers for purposes of competing with Employers, including, without limitation, preventing Employees from disclosing their wages in negotiating a new job with a prospective employer, and from disclosing who else works at Employers and under what circumstances they might be receptive to an offer from a rival employer. As such, Employees are informed and believe that this violates Business and Professions Code sections 17200, 16600 and 16700, and, by virtue thereof, various provisions of the Labor Code, including Labor Code sections 232, 232.5, and 1197.5, subdivision (k). Employers would be liable for civil penalties pursuant to Labor Code section 2699.

Whistleblower Violations

On information and belief, Employers had and have a policy or practice of preventing Employees and/or other Aggrieved Employees from disclosing violations of state and federal law, either within Employers to their managers or outside Employers to private attorneys or government officials, among others, in violation of Business and Professions Code section 17200, and, thus, in violation of Labor Code section 1102.5. In addition, Employees are informed and believe that these policies and/or practices prevent Employees and/or other Aggrieved Employees from disclosing information about unsafe or discriminatory working conditions, or about wage and hour violations in violation of Labor Code sections 98.6, 232, and 232.5. These violations of the Labor Code would expose Employers to liability for civil penalties pursuant to Labor Code section 2699.

Workplace Health and Safety Violations

On information and belief, Employers had and have a policy or practice of failing to furnish and use safety devices and safeguards, and adopt and use practices, means, methods, operations and processes which are reasonably adequate to render such employment and place of employment safe and healthful, pursuant to, including but not limited to, Labor Code section 6401. Employees are informed and believe, and based thereon allege that Employers had and have a policy or practice of requiring or permitting employees to go or be in any employment or place of employment which is not safe and healthful, pursuant to Labor Code section 6402. Employees are informed and believe, and based thereon allege that Employers had and have a policy or practice of failing or neglecting to: provide and use safety devices and safeguards reasonably adequate to render the employment and place of employment safe; adopt and use methods and processes reasonably adequate to render the employment and place of employment safe; and do every other thing reasonably necessary to protect the life, safety, and health of employees, pursuant to Labor Code section 6403. Employees are informed and believe, and based thereon allege that these failures include, without limitation, failing to disinfect time clocks and other surfaces after use by Employees and/or other Aggrieved Employees; failing to provide adequate protection equipment

to Employees and/or other Aggrieved Employees; and failing to provide adequate distance in working conditions between Employees and/or other Aggrieved Employees.

On information and belief, Employers violated section 1527, 3366, 3457 and 8397.4 by failing to provide adequate and readily accessible sanitation facilities; a regular schedule for servicing, cleaning, and supplying each facility to ensure it is maintained in a clean, sanitary and serviceable condition; an adequate supply of suitable cleansing agents, water, single-use towels or blowers; and a sufficient number of toilets to be used by each sex of employee.

Action for Civil Penalties Under PAGA

In light of the above, Employees allege that Employers violated the following provisions of the Labor Code with respect to the Aggrieved Employees:

1. Labor Code §§ 204, 510, 1194, 1197, and 1198 by failing to pay for all hours worked, including minimum wages, straight time wages, and overtime wages;
2. Labor Code § 226.7 and applicable Wage Orders by failing to provide meal periods;
3. Labor Code § 226.7 and applicable Wage Orders by failing to authorize and permit rest periods;
4. Labor Code § 204 by failing to pay all earned wages two times per month;
5. California Labor Code § 1174.5 and applicable Wage Orders by failing to maintain accurate records of hours worked and meal periods taken or missed;
6. Labor Code §§ 201 to 203 by willfully failing to pay all wages owed at termination;
7. Labor Code § 226 by failing to provide accurate itemized wage statements;
8. Labor Code § 2802 by failing to indemnify for necessary expenditures;
9. Labor Code §§ 226, 432, and 1198.5 by failing to timely produce requested payroll records, timecards, and personnel records;
10. Labor Code § 1174 by failing to keep accurate and complete payroll records;
11. Labor Code §§ 245-248.5 by failing to provide proper sick leave and supplemental paid sick leave;
12. Labor Code § 216 for refusal to pay wages due and payable and/or denial of the validity of any claim to wages due;
13. Labor Code § 223 for secretly paying wages lower than required by statute while purporting to pay legal wages;
14. Labor Code § 227.3 for failure to pay vested vacation and/or paid time off;
15. Section 14(A-B) of all applicable IWC Wage Orders for failure to provide suitable seating;
16. Labor Code § 432.5 for unlawful agreements;
17. Labor Code § 201.3 for failure to timely provide temporary workers with wages;
18. Labor Code §§ 98.6, 232, 232.5, 1102.5, and 1197.5 for preventing employees from using or disclosing the skills, knowledge and experience they obtained at Employers, and whistleblower violations;

LWDA

Notice of Labor Code Violations and PAGA

December 5, 2023

Page 17 of 17

19. Labor Code § 432.7 for unlawful inquiries into criminal histories; and
20. Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401 for workplace health and safety violations.

Therefore, on behalf of potentially all Aggrieved Employees, Employees seek applicable penalties related to the violations alleged above pursuant to the PAGA. These include, but are not limited to, penalties under Labor Code §§ 210, 226.3, 1174.5, 1197.1, and 2699.

Employees have placed Employers on notice by mailing a certified copy of this correspondence, as indicated on the first page. Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me.

Sincerely,

WILSHIRE LAW FIRM

A handwritten signature in black ink, appearing to read "John Yslas", written over the printed name.

John G. Yslas, Esq.

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Attorneys for Plaintiffs Dane Carter
and Josue Camargo Luna

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

DANE CARTER and JOSUE CAMARGO
LUNA, individually, and on behalf of all others
similarly situated,

Plaintiffs,

vs.

QUANTUM FUEL SYSTEMS LLC, a
California limited liability company; and
DOES 1 through 10, inclusive,

Defendants.

Case No. 30-2023-01334066-CU-OE-CXC
Related Case No. 30-2024-01378128-CU-OE-
CXC

Assigned for all purposes to:
Hon. Melissa R. McCormick
Dept. CX105

**DECLARATION OF SEAN HARTRANFT
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: January 8, 2026
Time: 2:00 p.m.
Dept.: CX105
Reservation Number: 74717264

DECLARATION OF SEAN HARTRANFT

I, Sean Hartranft, declare as follows:

1. I am the Chief Executive Officer of Apex Class Action LLC., a class action settlement administration company headquartered in Irvine, California. I have personal knowledge of the facts outlined in this declaration and, if called as a witness, I could and would competently testify thereto.

2. Apex Class Action's team has been directly involved with class action administration for a combined 100 years and has successfully managed numerous class action cases during that time. Our team comprises experienced professionals with extensive knowledge of class action settlement administration. Additionally, Apex Class Action possesses the necessary technology and infrastructure to manage large-scale class action cases efficiently. We utilize state-of-the-art software and systems to ensure that all aspects of the administration process are executed accurately and efficiently.

3. The legal practitioners or parties involved do not possess any form of ownership stake or affiliation with Apex Class Action.

4. Apex Class Action has extensive expertise in the dissemination of class action notices and the administration of class action settlements. Our range of services includes first-class mail via the United States Postal Service, a bilingual toll-free call center, interactive & static website development and support, enterprise database management, response processing, and Qualified Settlement Fund (QSF) distribution for class actions of various sizes. We maintain the highest level of confidentiality in all our operations. Any class data and communication received by us will be treated with utmost privacy and will not be disclosed to any unauthorized party. Attached is our current CV, as Exhibit A, which highlights our primary competencies in class action administration.

5. Apex Class Action ensures that Client and Class Member Information is only used for the purposes specified in the relevant agreements or court orders governing the provision of its legal services. To safeguard class member information, Apex Class Action has implemented a comprehensive process to identify, assess, and mitigate risks in all areas of its operations,

1 regularly evaluating the effectiveness of its security measures. Access to class member
2 information is limited to employees, agents, or subcontractors who require it to perform their
3 duties, and Apex Class Action conducts background checks on all personnel with access to
4 sensitive personal information to ensure they do not pose a threat to the security of client or class
5 member information. As part of its commitment to data security and industry best practices, Apex
6 Class Action has completed a rigorous third-party audit and is SOC 2 Type 2 certified,
7 demonstrating its adherence to strict standards for data privacy, confidentiality, and system
8 integrity. This certification reflects Apex's continued focus on protecting sensitive information
9 through well-documented and consistently applied internal controls. To guarantee the security of
10 the settlement administration process, Apex Class Action maintains Professional Liability and
11 Cyber Liability Insurance coverage, as required by legal standards and best practices in the legal
12 profession.

13 6. Apex Class Action disbursement process involves (i) obtaining a Federal Employer
14 Identification Number (FEIN) from the Internal Revenue Service (IRS) under the name of the
15 settlement case; (ii) establishing a QSF to manage the distribution of settlement funds; (iii)
16 conducting preliminary and final calculations to determine the individual settlement amounts,
17 including attorneys' fees, costs, enhancement awards, and any other court-approved designees;
18 (iv) calculating and reporting state and federal taxes as applicable; (v) and disseminating approved
19 settlement funds and tax forms via First-Class USPS mail.

20 7. The administration fees for Apex Class Action's management of this settlement will
21 not exceed \$6,990.00, as specified in **Exhibit B**. This document presents a comprehensive plan
22 detailing the specific administration services that will be provided.

23
24 I declare under penalty of perjury under the laws of the state of California that the
25 foregoing is true and correct. Executed this 2nd day of December 2025, in Irvine, California.

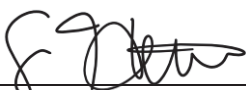
26
27 
28 _____
Sean Hartranft

EXHIBIT A



CASE TYPES

- Consumer
- Data Breach
- Mass Tort Disbursement
- Wage & Hour
- Private Attorneys
General Act (PAGA)
- Belaire West
- Class Certification
- Fair Labor Standards
Act (FSLA)
- Telephone Consumer
Protection Act (TCPA)
- Employee Retirement
Income Security Act
(ERISA)
- Product Liability

SUMMARY

Apex Class Action brings together a seasoned team of professionals adept at navigating the intricate landscape of legal processes and settlement administration. Armed with extensive expertise, we offer a comprehensive understanding of the nuances inherent in settlement procedures. Our organization excels in communication and organization, leveraging cutting-edge technology to streamline project management and adhere to rigorous timelines with precision and efficiency.

From initial pre-settlement consultation to the final stages of disbursement and tax reporting, our technology platform and stringent data security protocols revolve around integration, automation, and observability. This ensures swift and precise payment for class members, bolstering efficiency and accuracy throughout the process.

PRELIMINARY CONSULTATION

Our complimentary preliminary consultation serves as the cornerstone for establishing a comprehensive framework. This framework ensures that all stakeholders grasp the project's scope, timeline, and budget parameters effectively. Following the alignment of objectives and expectations between plaintiff and defense counsel, our team diligently explores additional avenues to identify potential class members. We go the extra mile by offering detailed interactive banner ad campaigns and print media options, maximizing outreach and engagement to achieve optimal results.

CASE MANAGEMENT

At Apex Class Action, our expert Case Managers and Data Managers take charge of overseeing all aspects of the settlement administration process. Their role is pivotal in ensuring strict adherence to court orders, settlement agreements, and industry benchmarks. Working hand in hand with both plaintiff and defense counsel, we meticulously manage every aspect of the settlement administration process.

Our comprehensive mailing and notification services commence with meticulous data scrubbing and the establishment of a class database, guaranteeing the accuracy of contact information. Subsequently, the database undergoes validation using the USPS National Change of Address (NCOA) database to ensure precision and reliability. Additionally, we provide court-certified translation services covering over 65 languages, facilitating effective communication across diverse demographics. In instances where mail is returned as undeliverable, we undertake skip tracing to obtain updated addresses for class members, ensuring that all notices reach their intended recipients without delay.



To ensure transparency throughout the entire process, a steady cadence of reports, as defined during the preliminary consultation, is generated throughout the administration process for both the plaintiff and defense counsel.

Our capability to provide cost-effective pricing is rooted in our adept utilization of cutting-edge technology, a team of highly skilled professionals, and an optimized process. Should the courts approve the utilization of modern electronic notification methods like email and banner ads, we ensure both certainty and cost-effectiveness. Through electronic disbursement, we offer a highly efficient strategy wherein settlement awards are directly delivered to class members, mitigating potential drawbacks associated with traditional mail delivery and enhancing overall efficiency.

TAX COMPLIANCE & CASE RESOLUTION

Apex leverages its proprietary technology to efficiently manage all necessary state and federal tax reporting requirements. This includes establishing a Settlement Federal Tax Identification Number (FIEN) with the IRS and Qualified Settlement Fund (QSF) EDD accounts where applicable. We handle taxes associated with settlements involving multiple state tax filings, as well as manage all payroll tax filings such as Form 940, 941, and state filings. Additionally, our services encompass the preparation of information returns (Forms W-2, 1099, and 1042-S) for reportable payments and the preparation of the annual Federal income tax return (Form 1120-SF). Moreover, we provide comprehensive management of qualified settlement funds (QSF), ensuring that all accounts are FDIC-insured bank accounts. Our full suite of comprehensive tax management services includes:

- Prepare and fill all applicable returns (Forms W-2, 1099, and 1042-S)
- Payroll tax filings, including Form 940, 941, and state filings
- FID-Insured QSF Bank Accounts
- State and Federal Tax Reporting
- IRS Federal Tax Identification Number
- QSF Audit Reports
- Prepare And File 1120-SF Tax Returns with Quarterly Tax Obligations

CONTACT

Address
18 Technology Dr. Ste. 164
Irvine, CA 92618

Email
Info@apexclassaction.com

Phone
1.800.355.0700

EXHIBIT B



Quotation Request:
Andrew Sandoval
Wilshire Law Firm, PLC
andrew.sandoval@wilshirelawfirm.com
800.522.7274

Case Name: Dane Carter, et al. v. Quantum Fuel Systems
Date: Friday, August 15, 2025
RFP Number: 19160001

Prepared By:
Sean Hartranft
Apex Class Action LLC
Sean@apexclassaction.com
949.878.3676

Settlement Specifications	
Estimated Class Size:	230
Certified Language Translation:	Yes
Static Settlement Website	Yes
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
Data Analytics and Standardization				
Import and Standardize Data*	Per Hour	\$125.00	1	\$125.00
Data Analyst	Per Hour	\$150.00	2	\$300.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.				
Sub Total:				\$425.00

Mailing of Class Notice				
Form Set Up	Per Hour	\$120.00	1	\$120.00
Print & Mail Class Notice	Per Piece	\$1.50	230	\$345.00
USPS First Class Postage	Per Piece	\$0.78	230	\$179.40
Remail Undeliverable Mail (Skip-Trace)	Per Piece	\$2.25	46	\$103.50
Receive and Process Undeliverable Mail	Per Hour	\$75.00	1	\$75.00
Process Class Member Correspondence via mail, e-mail & fax	Per Piece	\$75.00	1	\$75.00
NCOA Address Update (USPS)	Static Rate	\$60.95	1	\$60.95
Certified Language Translation: Spanish	Static Rate	\$1,200.00	1	\$1,200.00
Sub Total:				\$2,158.85

Project Management				
Project Management	Per Hour	\$150.00	2	\$300.00
Project Coordinator	Per Hour	\$90.00	2	\$180.00
Data Analyst and Reporting	Per Hour	\$140.00	1	\$140.00
Sub Total:				\$620.00



APEX

CLASS ACTION ADMINISTRATION

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Toll-Free Contact Center, Website & Reporting				
Bilingual Toll-Free Contact Center	Static Rate	\$65.00	1	\$65.00
Settlement Website: Static Apex URL	Static Rate	\$500.00	1	\$500.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
			Sub Total:	\$565.00

Distribution & Settlement Fund Management				
Settlement Calculations (Preliminary and Final)	Per Hour	\$120.00	2	\$240.00
Account Management and Reconciliation	Per Hour	\$140.00	2	\$280.00
Print & Mail Distribution Settlement Check (W-2/1099)	Per Piece	\$1.50	230	\$345.00
USPS First Class Postage	Per Piece	\$0.78	230	\$179.40
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.25	23	\$51.75
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	4	\$400.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,000.00	1	\$1,000.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$250.00	1	\$250.00
			Sub Total:	\$2,746.15

Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	1	\$135.00
Project Management Reconciliation	Per Hour	\$100.00	1	\$100.00
Declarations	Per Hour	\$120.00	2	\$240.00
			Sub Total:	\$475.00

			WILL NOT EXCEED:	\$6,990.00
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Thank you for your business!



Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. **Services:** Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").
2. **Payment Terms:** As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.
3. **Incurred Expenses:** In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.
4. **Invoicing:** Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In case of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.
5. **Case Duration:** The duration of these Terms and Conditions, except for the data storage obligations, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.
6. **Termination of Services:** Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.
7. **Independent Contractor:** As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.
8. **Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.**
9. **Limitation of Liability:** The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.
10. **Indemnification:** The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. **Confidentiality:** Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of these terms may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.
12. **Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.**
13. **Apex may derive financial benefits from financial institutions in connection with the deposit and investment of funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.**
14. **COMPLETE AGREEMENT.** These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.
15. **This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.**
16. **Force Majeure:** In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.
17. **The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.**
18. **Severability:** This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.
19. **Nonwaiver:** This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

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Attorneys for Plaintiffs
 Dane Carter and Josue Camargo Luna

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
 FOR THE COUNTY OF ORANGE**

DANE CARTER and JOSUE CAMARGO
 LUNA, individually, and on behalf of all others
 similarly situated,

Plaintiffs,

vs.

QUANTUM FUEL SYSTEMS LLC, a California
 limited liability company; and DOES 1 through
 10, inclusive,

Defendants.

Case No. 30-2023-01334066-CU-OE-CXC
 Related Case No. 30-2024-01378128-CU-OE-
 CXC

*Assigned for all purposes to:
 Hon. Melissa R. McCormick
 Dept. CX105*

**DECLARATION OF PLAINTIFF DANE
 CARTER IN SUPPORT OF MOTION
 FOR PRELIMINARY APPROVAL OF
 CLASS ACTION AND PAGA
 SETTLEMENT**

PRELIMINARY APPROVAL HEARING

Date: January 8, 2026

Time: 2:00 p.m.

Dept.: CX105

Reservation Number: 74717264

I, Dane Carter, declare as follows:

1. I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. I submit this declaration in support of my Motion for Preliminary Approval of Class Action and PAGA Settlement.

2. I worked for defendant Quantum Fuel Systems LLC (“Defendant”) as an hourly-paid, non-exempt machine operator from around June 2022 to January 2023.

3. Based on my experience and knowledge of Defendant’s wage and hour policies and my familiarity with its employment practices, I worked with my attorneys to bring claims on my own behalf as well as on behalf of other hourly-paid, non-exempt employees of Defendant.

4. I am seeking to become a class representative in this case. I believe my experiences are similar to other hourly-paid, non-exempt employees of Defendant. I believe we were all subject to the same employment policies and practices.

5. I do not have any conflicts with other hourly-paid, non-exempt employees that would interfere with my ability to represent them. I believe I will adequately represent the hourly-paid, non-exempt employees of Defendant.

6. My interests as a named plaintiff in this case are not adverse to the interests of the other hourly-paid, non-exempt employees. I believe my interests are the same as the other employees because we were all subject to the same policies and practices and were similarly injured by Defendant’s company-wide policies and practices. I am seeking the same recovery on behalf of myself and the other employees, which is to collect unpaid wages, penalties, and interest that are owed to us by Defendant.

Risks, Both Financial and Otherwise, Faced in Bringing the Suit

7. Further, when I decided to become involved in this lawsuit as a class representative on behalf of other employees of Defendant and as a private attorney general for the State of California, I understood that I was not only seeking unpaid wages and penalties on behalf of myself, but also for other employees who worked for Defendant, and that by doing so, I would be delaying more immediate recovery available to me through the Labor Commissioner’s office.

8. I was also made aware that being a class representative and private attorney general in an action filed on behalf of others would subject me to a stigma that is sometimes associated with those who bring these kinds of lawsuits. I was aware that, as a class representative and private attorney general, I might be responsible for some or all of Defendant's legal costs if the case was not successfully concluded. Even with knowledge of these risks, I was willing to go forward and to act on behalf of the other employees and the State of California, but I was nervous about losing and having a judgment filed against me for costs or losing job opportunities in the future.

9. I understood that there were risks involved in class and representative action lawsuits. I understood that the lawsuit could continue for several years and require my services and attention throughout the entire length of the lawsuit. I learned that even if we won at trial, the case could be further delayed by appeals.

Notoriety and Personal Difficulties Encountered

10. As the named plaintiff, I am the face of the litigation. As of the date of this declaration, the class notice will be mailed in this case to approximately 230 current and former employees of Defendant, which will inform them that I filed a class and representative action against Defendant. Exposing myself to this kind of publicity creates a risk for my future career prospects, since current and former employees of Defendant may move to different companies within the industry or may know people at other companies within the industry who may not wish to hire someone who sued his employer. I also understand that having filed this lawsuit in court means that there is now a permanent public record of this lawsuit available to the general public. Given this additional exposure, there is further risk to my future career prospects.

Amount of Time and Effort Spent and Duration of the Litigation

11. I have always kept the best interests of the other hourly-paid, non-exempt employees in mind while performing my duties as the named plaintiff in this case. I have been committed throughout the course of this case to vigorously prosecuting this case on behalf of myself and the other employees. I believe that I have demonstrated my ability to advocate for the interests of the other hourly-paid, non-exempt employees by initiating this lawsuit and have spent a substantial amount of time and effort on this litigation. My work on this case has specifically included, among

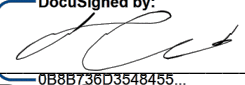
1 other things, searching/gathering and providing my payroll records and other documents and
2 information to my attorneys, discussing potential witnesses, keeping in regular contact with my
3 attorneys regarding the status of the case, assisting my attorneys prepare for mediation (i.e.,
4 reviewing discovery information and data (if needed), discussing my claims and experience), being
5 on-call for my attorneys on the date of mediation in case questions or concerns arose during
6 mediation, and participating in settlement discussions. After mediation, I remained actively involved
7 by reviewing the settlement papers and contacting my counsel for updates. I estimate that since I
8 retained my counsel in March 2023, I have spent approximately 40-45 hours on the activities
9 described above. And I estimate that I will spend an additional 1-5 hours assisting my attorneys
10 through the approval process and staying up to date with the case through disbursement of the
11 settlement checks.

12 **Personal Benefit Received as a Result of the Litigation**

13 12. Absent the requested service payment, the personal benefit I will receive is the same
14 as all other employees. But unlike the other employees, who are only releasing the wage and hour
15 claims asserted in the lawsuit, I have signed a general release of claims as to Defendant.

16 13. I will continue to actively participate in this lawsuit as necessary, and will continue
17 to make myself available to assist in this case moving forward as needed.

18 I declare under penalty of perjury under the laws of the State of California that the
19 foregoing is true and correct. Executed on 12/1/2025, at Atascadero, California.

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23 Dane Carter
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Attorneys for Plaintiffs
Dane Carter and Josue Camargo Luna

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

DANE CARTER and JOSUE CAMARGO
LUNA, individually, and on behalf of all others
similarly situated,

Plaintiffs,

vs.

QUANTUM FUEL SYSTEMS LLC, a California
limited liability company; and DOES 1 through
10, inclusive,

Defendants.

Case No. 30-2023-01334066-CU-OE-CXC
Related Case No. 30-2024-01378128-CU-OE-
CXC

Assigned for all purposes to:
Hon. Melissa R. McCormick
Dept. CX105

**DECLARATION OF PLAINTIFF JOSUE
CARMARGO LUNA IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

PRELIMINARY APPROVAL HEARING
Date: January 8, 2026
Time: 2:00 p.m.
Dept.: CX105
Reservation Number: 74717264

I, Josue Carmargo Luna, declare as follows:

1. I have personal knowledge of the facts set forth in this declaration and could and would competently testify to them under oath if called as a witness. I submit this declaration in support of my Motion for Preliminary Approval of Class Action and PAGA Settlement.

2. I worked for defendant Quantum Fuel Systems LLC (“Defendant”) as an hourly-paid, non-exempt production worker from around March 2022 to February 2023.

3. Based on my experience and knowledge of Defendant’s wage and hour policies and my familiarity with its employment practices, I worked with my attorneys to bring claims on my own behalf as well as on behalf of other hourly-paid, non-exempt employees of Defendant.

4. I am seeking to become a class representative in this case. I believe my experiences are similar to other hourly-paid, non-exempt employees of Defendant. I believe we were all subject to the same employment policies and practices.

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17 to make myself available to assist in this case moving forward as needed.

18 I declare under penalty of perjury under the laws of the State of California that the
19 foregoing is true and correct. Executed on 12/1/2025, at Santa Ana, California.

20 DocuSigned by:

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23 Josue Carmargo Luna