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Additional Counsel on Next Page

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

CARLOS TOSCANO, an individual and on
behalf of all others similarly situated, and
aggrieved,

Plaintiff,

v.

ACRW, INC., a California Corporation;
CGWR, INC., a California Corporation; and
DOES 1 through 100, inclusive,

Defendants.

CASE NO.: CVRI2306779

Related to Case No.: CVPS2404469

[Assigned for all purposes to the Hon. Harold
Hopp in Dept. 1]

**CLASS AND PAGA SETTLEMENT
AGREEMENT**

Action Filed: December 18, 2023

Trial Date: None

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1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
2 plaintiff Carlos Toscano (“Plaintiff”) and defendants ACRW, INC. and CGWR, Inc., a party to be
3 added (collectively “Defendants”). The Agreement refers to Plaintiff and Defendants collectively
4 as “Parties,” or individually as “Party.”

5 **1. DEFINITIONS**

6 1.1. “Action” means Plaintiff’s First Amended Complaint (“FAC”) captioned CARLOS
7 TOSCANO v. ACRW, INC., *et al.* Case No. CVRI2306779, which consolidated his
8 lawsuit alleging wage and hour violations against ACRW, initiated on December 18,
9 2023, pending in Superior Court of the State of California, County of Riverside (the
10 “Class Action”) with its related case, CARLOS TOSCANO v. ACRW, INC., Case No.
11 CVPS2404469, initiated on July 17, 2024, pending in Superior Court of the State of
12 California, County of Riverside (the “PAGA Action”), and added defendant CGWR,
13 INC.

14 1.2. “Administrator” means Phoenix Class Action Administration Solutions (“Phoenix”), the
15 neutral entity the Parties have agreed to appoint to administer the Settlement.

16 1.3. “Administration Expenses Payment” means the amount the Administrator will be paid
17 from the Gross Settlement Amount to reimburse its reasonable fees and expenses in
18 accordance with the Administrator’s “not to exceed” bid submitted to the Court in
19 connection with Preliminary Approval of the Settlement.

20 1.4. “Aggrieved Employee” means a person employed by or who worked for ACRW, Inc. or
21 CGWR, Inc. in California and classified as a non-exempt, hourly-paid employee during
22 the PAGA Period.

23 1.5. “Class” means all persons employed by ACRW, Inc. or CGWR, Inc. in California and
24 classified as a non-exempt, hourly-paid employee who worked for ACRW, Inc. or
25 CGWR, Inc. during the Class Period.

26 1.6. “Class Counsel” means David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group,
27 P.C.

- 1.7. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.8. “Class Data” means Class Member identifying information in Defendants’ custody, possession, or control, including the Class Member’s (1) name; (2) last-known mailing address; (3) Social Security Number; (4) the number of Class Period Workweeks and PAGA Pay Periods; and (5) the dates of employment (i.e., hire dates, and, if applicable, re-hire date(s) and/or separation date(s)).
- 1.9. “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member.
- 1.10. “Class Member Address Search” means the Administrator’s investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.
- 1.11. “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English and Spanish in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. “Class Period” means the period from December 18, 2019 through May 11, 2025.
- 1.13. “Class Representative” means the named Plaintiff in the Action seeking Court approval to serve as a Class Representative.
- 1.14. “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.15. “Court” means the Superior Court of California, County of Riverside.
- 1.16. “Defendants” means named defendant ACRW, INC. and the to be named defendant, CGWR, Inc.
- 1.17. “Defense Counsel” means Deborah F. Birndorf and Natalie M. Lagunas of Norton Rose Fulbright US LLP.

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

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

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

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

1.22. "Gross Settlement Amount" means \$300,000.00 (Three Hundred Thousand Dollars and Zero Cents) which is the total amount Defendants agree to pay under the Settlement, except as provided in Paragraph 8.1 below and any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.

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

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

- 1.25. “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.26. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.30. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period, based on hire dates, re-hire dates (as applicable), and termination dates (as applicable).
- 1.31. “PAGA Period” means the period from December 18, 2022 through May 11, 2025
- 1.32. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.33. “PAGA Notice” means Plaintiff’s December 18, 2023 letter to ACRW, Inc. and the LWDA, providing notice pursuant to Labor Code section 2699.3 subd. (a), as amended on October 28, 2025 to add defendant CGWR, Inc.
- 1.34. “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$5,000.00) and the 75% to the LWDA (\$15,000.00) in settlement of PAGA claims.
- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.
- 1.36. “Plaintiff” means Carlos Toscano, the named plaintiff in the Action.

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

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

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

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

1.41. “Released Parties” means: ACRW, Inc. and CGWR, Inc. and each of their former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, employees, and agents.

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

1.43. “Response Deadline” means 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) mail Requests for Exclusion from the Settlement, or (b) mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.

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

1.45. “Workweek” means any week during which a Class Member worked for Defendants, for at least one day during the Class Period, based on hire dates and termination dates (as applicable).

2. RECITALS

2.1. On December 18, 2023, Plaintiff commenced a Class Action by filing a complaint against ACRW, Inc. for: failure to pay overtime and minimum wages; failure to provide meal breaks, rest breaks, or compensation in lieu thereof; waiting time penalties; wage

1 statement violations; failure to timely pay wages; failure to indemnify; and unfair
2 competition (“Class Action”).

3 2.2. On July 17, 2024, Plaintiff commenced a PAGA Action by filing a complaint alleging
4 causes of action for civil penalties under PAGA (“PAGA Action”). The PAGA Action
5 was based on the following alleged violations by ACRW: (1) failure to pay overtime
6 wages; (2) failure to pay minimum wages; (3) failure to provide meal periods; (4) failure
7 to permit rest periods; (5) failure to pay missed meal and rest period premiums;
8 (6) failure to provide accurate itemized wage statements; (7) failure to provide
9 employees their signed documents; (8) failure to pay vacation time owed in violation of
10 Labor Code section 227.3; (9) failure to reimburse employees for necessary business
11 expenses; (10) failure to comply with the notice requirements of Labor Code section
12 2810.5; (11) failure to provide paid sick leave; (12) failure to timely pay wages;
13 (13) failure to provide employees with suitable seats when the nature of the work
14 reasonably permits the use of seats; (14) failure to provide adequate sanitary facilities;
15 (15) unlawfully requiring job applicants and employees to disclose their conviction
16 history before Defendants made a conditional job offer; (16) unlawfully relying on salary
17 history information of an applicant as a factor in determining whether to offer
18 employment; (17) unlawfully requiring employees to agree to confidentiality policies
19 that unlawfully restrain trade; (18) unlawfully prohibiting employees from using or
20 disclosing the skills, knowledge and experience they obtained at ACRW’s business for
21 purposes of competing with Defendants; (19) unlawfully prohibiting employees from
22 disclosing information about unsafe or discriminatory working conditions; and
23 (20) unlawfully prohibiting employees from engaging in lawful conduct during non-
24 work hours.

25 2.3. On September 9, 2024, ACRW, Inc. filed a Notice of Related Cases advising the Court
26 that the PAGA Action and Class Action were related. As part of this Agreement, the
27 Parties agree to stipulate to Plaintiff’s filing of a First Amended Complaint in the Class
28 Action, that, in addition to the terms described in more detail in paragraph 2.7, adds all

1 claims alleged in the PAGA Action. Plaintiff will thereafter dismiss without prejudice
2 the PAGA Action, thereby effectively consolidating the two actions for purposes of
3 Settlement. The First Amended Complaint will be the operative complaint in the Action
4 (“Operative Complaint”)

5 2.4. Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

6 2.5. Prior to mediation Plaintiff obtained, through informal discovery: (a) time and payroll
7 records for approximately 100% of Class Members through mediation; (b) wage and
8 hour policy documents, including an employee handbook; (c) all documents pertaining
9 to Plaintiff available to Defendants; and (d) general ledgers, profit and loss statements,
10 and balance sheets.

11 2.6. Plaintiff’s investigation was sufficient to satisfy the criteria for court approval set forth
12 in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot*
13 *Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 (“*Dunk/Kullar*”).

14 2.7. On February 10, 2025, the Parties participated in an all-day mediation presided over by
15 Monique Ngo-Bonnici. Following the mediation, the Parties accepted the mediator’s
16 proposal, and agreed to globally resolve all class and PAGA claims in the Action. In
17 addition, the Parties agreed that Plaintiff will amend 1) the PAGA Notice to add CGWR,
18 Inc. as a named defendant; 2) the Class Action to add CGWR, Inc. as a named defendant
19 and add or amend relevant allegations and causes of action as necessary, including but
20 not limited to amending the Class Action to include Plaintiff’s causes of action against
21 both Defendants for civil penalties under PAGA; and 3) dismiss the PAGA Action.

22 2.8. The Court has not granted class certification.

23 2.9. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of
24 any other pending matter or action asserting claims that will be extinguished or affected
25 by the Settlement.

26 2.10. The Parties agree that as a condition precedent to executing or the enforcement of
27 this Agreement that Plaintiff will amend their PAGA Notice and file a First Amended
28 Complaint as described in paragraphs 2.3 and 2.7 above.

2.11. The Parties agree and stipulate that the Class Action and PAGA Action are related and consolidated, and that all Action and claims in the Operative Complaint will be resolved by this Agreement.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendants promise to pay \$300,000.00 as the Gross Settlement Amount, unless increased pursuant to Paragraph 8.1 of this Agreement, and to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. Defendants have no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

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

3.2.1 To Plaintiff: Class Representative Service Payment to Plaintiff of not more than \$10,000.00 in addition to any Individual Class Payment and any Individual PAGA Payment Plaintiff is entitled to receive as a Participating Class Member. Defendants will not oppose Plaintiff's request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.

1 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than 35% of
2 the Gross Settlement Amount, which, unless escalated pursuant to Paragraph 8.1 of
3 this Agreement, is currently estimated to be \$105,000.00 and a Class Counsel
4 Litigation Expenses Payment of not more than \$30,000.00. Defendants will not
5 oppose requests for these payments provided that they do not exceed these amounts.
6 Plaintiff and/or Class Counsel will endeavor to file a motion for Class Counsel Fees
7 Payment and Class Litigation Expenses Payment prior to the Final Approval
8 Hearing. 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
10 allocate the remainder to the Net Settlement Amount. Released Parties shall have no
11 liability to Class Counsel or any other Plaintiff's Counsel arising from any claim to
12 any portion any Class Counsel Fee Payment and/or Class Counsel Litigation
13 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and
14 Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel
15 assumes full responsibility and liability for taxes owed on the Class Counsel Fees
16 Payment and the Class Counsel Litigation Expenses Payment and holds Defendants
17 harmless, and indemnifies Defendants, from any dispute or controversy regarding
18 any division or sharing of any of these Payments. There will be no additional charge
19 of any kind to either the Settlement Class Members or request for additional
20 consideration from Defendants for such work unless, Defendants materially breach
21 this Agreement, including any term regarding funding, and further efforts are
22 necessary from Class Counsel to remedy said breach, including, without limitation,
23 moving the Court to enforce the Agreement. Should the Court approve attorneys'
24 fees and/or litigation costs and expenses in amounts that are less than the amounts
25 provided for herein, then the unapproved portion(s) shall be a part of the Net
26 Settlement Amount.

27 3.2.3 To the Administrator: An Administrator Expenses Payment not to exceed
28 \$9,500.00 except for a showing of good cause and as approved by the Court. To the

1 extent the Administration Expenses are less or the Court approves payment less than
2 \$9,500.00 the Administrator will retain the remainder in the Net Settlement Amount.

3 3.2.4 To Each Participating Class Member: An Individual Class Payment
4 calculated by (a) dividing the Net Settlement Amount by the total number of
5 Workweeks worked by all Participating Class Members during the Class Period and
6 (b) multiplying the result by each Participating Class Member's Workweeks.

7 3.2.4.1 Tax Allocation of Individual Class Payments. 20% of each Participating
8 Class Member's Individual Class Payment will be allocated to settlement of wage
9 claims (the "Wage Portion"). The Wage Portions are subject to tax withholding
10 and will be reported on an IRS W-2 Form. The 80% of each Participating Class
11 Member's Individual Class Payment will be allocated to settlement of claims for
12 interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not
13 subject to wage withholdings and will be reported on IRS 1099 Forms.
14 Participating Class Members assume full responsibility and liability for any
15 employee taxes owed on their Individual Class Payment.

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

21 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of
22 \$20,000.00 to be paid from the Gross Settlement Amount, with 75% (\$15,000.00)
23 allocated to the LWDA PAGA Payment and 25% (\$5,000.00) allocated to the
24 Individual PAGA Payments.

25 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a)
26 dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties
27 \$5,000.00 by the total number of PAGA Period Pay Periods worked by all
28 Aggrieved Employees during the PAGA Period and (b) multiplying the result by

each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS

4.1. Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendants estimate there are 379 Class Members who collectively worked a total of 33,555 Workweeks, and 245 of Aggrieved Employees who worked a total of 6,876 PAGA Pay Periods.

4.2. Class Data. Not later than 30 days after the Court grants Preliminary Approval of this Agreement, Defendants 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. Defendants have 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 Defendants 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. Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date.

1 4.4. Payments from the Gross Settlement Amount. Within 14 days after Defendants fund the
2 Gross Settlement Amount, the Administrator will mail checks for all Individual Class
3 Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the
4 Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel
5 Litigation Expenses Payment, and the Class Representative Service Payment.
6 Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses
7 Payment and the Class Representative Service and Class Counsel Fees Payment shall
8 not precede disbursement of Individual Class Payments, and the Individual PAGA
9 Payments.

10 4.4.1 The Administrator will issue checks for the Individual Class Payments and/or
11 Individual PAGA Payments and send them to the Class Members via First Class U.S.
12 Mail, postage prepaid. The face of each check shall prominently state the date (not
13 less than 180 days after the date of mailing) when the check will be voided. The
14 Administrator will cancel all checks not cashed by the void date. The Administrator
15 will send checks for Individual Class Payments to all Participating Class Members
16 (including those for whom Class Notice was returned undelivered). The
17 Administrator will send checks for Individual PAGA Payments to all Aggrieved
18 Employees including Non-Participating Class Members who qualify as Aggrieved
19 Employees (including those for whom Class Notice was returned undelivered). The
20 Administrator may send Participating Class Members a single check combining the
21 Individual Class Payment and the Individual PAGA Payment. Before mailing any
22 checks, the Settlement Administrator must update the recipients' mailing addresses
23 using the National Change of Address Database.

24 4.4.2 The Administrator must conduct a Class Member Address Search for all other
25 Class Members whose checks are returned undelivered without USPS forwarding
26 address. Within 7 days of receiving a returned check the Administrator must re-mail
27 checks to the USPS forwarding address provided or to an address ascertained through
28 the Class Member Address Search. The Administrator need not take further steps to

1 deliver checks to Class Members whose re-mailed checks are returned as
2 undelivered. The Administrator shall promptly send a replacement check to any
3 Class Member whose original check was lost or misplaced, requested by the Class
4 Member prior to the void date.

5 4.4.3 For any Class Member or Aggrieved Employee whose Individual Class
6 Payment check or Individual PAGA Payment check is uncashed and cancelled after
7 the void date, the Administrator shall transmit the funds represented by such checks
8 to the California Controller's Office, Unclaimed Property Fund.

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

13 **5. RELEASE OF CLAIMS.**

14 Effective on the date when Defendants fully fund the entire Gross Settlement Amount
15 and fund all employer payroll taxes owed on the Wage Portion of the Individual Class
16 Payments, Plaintiff, Class Members, Aggrieved Employees, and Class Counsel will
17 release claims against all Released Parties as follows:

18 5.1. Plaintiff's Release. Plaintiff and his or her respective former and present spouses,
19 representatives, agents, attorneys, heirs, administrators, successors, and assigns
20 generally, release and discharge Released Parties from all claims, transactions, or
21 occurrences, including, but not limited to: (a) all claims that were, or reasonably could
22 have been, alleged, based on the facts contained in the Action or Operative Complaint
23 and (b) all PAGA claims that were, or reasonably could have been, alleged based on
24 facts contained in Plaintiff's PAGA Notice, or PAGA Notice as Amended ("Plaintiff's
25 Release.") Plaintiff's Release does not extend to any claims or actions to enforce this
26 Agreement, or to any claims for vested benefits, unemployment benefits, disability
27 benefits, social security benefits, workers' compensation benefits that arose at any time,
28 or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff

1 may discover facts or law different from, or in addition to, the facts or law that Plaintiff
2 now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall
3 be and remain effective in all respects, notwithstanding such different or additional facts
4 or Plaintiff's discovery of them.

5 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
6 purposes of Plaintiff's Release only, Plaintiff expressly waives and relinquishes the
7 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
8 which reads:

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

13 5.2. Release by Participating Class Members: For the duration of the Class Period, all
14 Participating Class Members, on behalf of themselves and their respective former and
15 present representatives, agents, attorneys, heirs, administrators, successors, and assigns,
16 release Released Parties from (i) all claims that were, or reasonably could have been,
17 alleged, based on the facts contained in the Action or Operative Complaint. Participating
18 Class Members do not release any other claims, including claims for vested benefits,
19 wrongful termination, violation of the Fair Employment and Housing Act,
20 unemployment insurance, disability, social security, workers' compensation, or claims
21 based on facts occurring outside the Class Period.

22 5.3. Release by Aggrieved Employees: For the duration of the PAGA Period, all Aggrieved
23 Employees are deemed to release, on behalf of themselves and their respective former
24 and present representatives, agents, attorneys, heirs, administrators, successors, and
25 assigns, the Release Parties from all claims for PAGA penalties that were alleged, or
26 reasonably could have been alleged, based on the PAGA Period facts stated in the Action
27 or Operative Complaint.
28

1 **6. MOTION FOR PRELIMINARY APPROVAL**

2 The Parties agree to jointly prepare and file a motion for preliminary approval (“Motion
3 for Preliminary Approval”) that complies with the Court’s current checklist for
4 Preliminary Approvals.

5 6.1. Defendants’ Declaration in Support of Preliminary Approval. Within 7 days of full
6 execution of this Agreement, Defendants will prepare and deliver to Class Counsel a
7 signed declaration from Defendants and Defense Counsel disclosing all facts relevant to
8 any actual or potential conflicts of interest with the Administrator.

9 6.2. Plaintiff’s Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all
10 documents necessary for obtaining Preliminary Approval, including: (i) a draft of the
11 notice, and memorandum in support, of the Motion for Preliminary Approval that
12 includes an analysis of the Class Action Settlement under Dunk/Kullar. and a request for
13 approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a
14 draft proposed Order Granting Preliminary Approval and Approval of PAGA
15 Settlement; (iii) a draft proposed Class Notice; (iv) a signed declaration from the
16 Administrator attaching its “not to exceed” bid for administering the Settlement and
17 attesting to its willingness to serve; competency; operative procedures for protecting the
18 security of Class Data; amounts of insurance coverage for any data breach, defalcation
19 of funds or other misfeasance; all facts relevant to any actual or potential conflicts of
20 interest with Class Members; and the nature and extent of any financial relationship with
21 Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff
22 confirming willingness and competency to serve and disclosing all facts relevant to any
23 actual or potential conflicts of interest with Class Members; (v) a signed declaration from
24 each Class Counsel firm attesting to its competency to represent the Class Members; its
25 timely transmission to the LWDA of all necessary PAGA documents (initial notice of
26 violations (Labor Code section 2699.3, subd. (a), PAGA Action and PAGA Action as
27 Amended (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code section
28 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential conflict of interest

1 with Class Members and the Administrator. In their Declarations, Plaintiff and Class
2 Counsel Declarations shall aver that they are not aware of any other pending matter or
3 action asserting claims that will be extinguished or adversely affected by the Settlement.

4 6.3.Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible
5 for expeditiously finalizing and filing the Motion for Preliminary Approval no later than
6 30 days after the full execution of this Agreement; obtaining a prompt hearing date for
7 the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of
8 the Motion for Preliminary Approval. Class Counsel is responsible for delivering the
9 Court's Preliminary Approval to the Administrator.

10 6.4.Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
11 Preliminary Approval and/or the supporting declarations and documents, Class Counsel
12 and Defense Counsel will expeditiously work together on behalf of the Parties by
13 meeting and conferring, and in good faith, to resolve the disagreement. If the Court does
14 not grant Preliminary Approval or conditions Preliminary Approval on any material
15 change to this Agreement, Class Counsel and Defense Counsel will expeditiously work
16 together on behalf of the Parties by meeting and conferring, and in good faith, to modify
17 the Agreement and otherwise satisfy the Court's concerns.

18 **7. SETTLEMENT ADMINISTRATION**

19 7.1.Selection of Administrator. The Parties have jointly selected Phoenix to serve as the
20 Administrator and verified that, as a condition of appointment, Phoenix agrees to be
21 bound by this Agreement and to perform, as a fiduciary, all duties specified in this
22 Agreement in exchange for payment of Administration Expenses. The Parties and their
23 Counsel represent that they have no interest or relationship, financial or otherwise, with
24 the Administrator other than a professional relationship arising out of prior experiences
25 administering settlements.

26 7.2.Employer Identification Number. The Administrator shall have and use its own
27 Employer Identification Number for purposes of calculating payroll tax withholdings
28 and providing reports state and federal tax authorities.

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

4 7.4.Notice to Class Members and Aggrieved Employees

5 7.4.1 No later than three (3) business days after receipt of the Class Data, the
6 Administrator shall notify Class Counsel that the list has been received and state the
7 number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in
8 the Class Data.

9 7.4.2 Using best efforts to perform as soon as possible, and in no event later than
10 14 days after receiving the Class Data, the Administrator will send to all Class
11 Members identified in the Class Data, via first-class United States Postal Service
12 (“USPS”) mail, the Class Notice with Spanish translation, substantially in the form
13 attached to this Agreement as Exhibit A. The first page of the Class Notice shall
14 prominently estimate the dollar amounts of any Individual Class Payment and/or
15 Individual PAGA Payment payable to the Class Member, and the number of
16 Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts.
17 Before mailing Class Notices, the Administrator shall update Class Member
18 addresses using the National Change of Address database.

19 7.4.3 Not later than 3 business days after the Administrator’s receipt of any Class
20 Notice returned by the USPS as undelivered, the Administrator shall re-mail the
21 Class Notice using any forwarding address provided by the USPS. If the USPS does
22 not provide a forwarding address, the Administrator shall conduct a Class Member
23 Address Search, and re-mail the Class Notice to the most current address obtained.
24 The Administrator has no obligation to make further attempts to locate or send Class
25 Notice to Class Members whose Class Notice is returned by the USPS a second time.

26 7.4.4 The deadlines for Class Members’ written objections, Challenges to
27 Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an
28 additional 15 days beyond the 45 days otherwise provided in the Class Notice for all

Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

7.4.5 If the Administrator, Defendants or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 15 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

7.5. Requests for Exclusion (Opt-Outs).

7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline.

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

proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

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

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

7.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 15 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay

Periods to Defense Counsel and Class Counsel and the Administrator's determination the challenges.

7.7.Objections to Settlement

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

7.7.2 Participating Class Members may send written objections to the Administrator, by 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 15 days for Class Members whose Class Notice was re-mailed).

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

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

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

1 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator
2 will promptly review on a rolling basis Requests for Exclusion to ascertain their
3 validity. Not later than 5 days after the expiration of the deadline for submitting
4 Requests for Exclusion, the Administrator shall email a list to Class Counsel and
5 Defense Counsel containing (a) the names and other identifying information of Class
6 Members who have timely submitted valid Requests for Exclusion (“Exclusion
7 List”); (b) the names and other identifying information of Class Members who have
8 submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion
9 from Settlement submitted (whether valid or invalid).

10 7.8.3 Weekly Reports. The Administrator must, on a weekly basis, provide written
11 reports to Class Counsel and Defense Counsel that, among other things, tally the
12 number of: Class Notices mailed or re-mailed, Class Notices returned undelivered,
13 Requests for Exclusion (whether valid or invalid) received, objections received,
14 challenges to Workweeks and/or Pay Periods received and/or resolved, and checks
15 mailed for Individual Class Payments and Individual PAGA Payments (“Weekly
16 Report”). The Weekly Reports must include the Administrator’s assessment of the
17 validity of Requests for Exclusion and attach copies of all Requests for Exclusion
18 and objections received.

19 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the
20 authority to address and make final decisions consistent with the terms of this
21 Agreement on all Class Member challenges over the calculation of Workweeks
22 and/or Pay Periods. The Administrator’s decision shall be final and not appealable
23 or otherwise susceptible to challenge.

24 7.8.5 Administrator’s Declaration. Before the date by which Plaintiff is required to
25 file the Motion for Final Approval of the Settlement, the Administrator will provide
26 to Class Counsel and Defense Counsel, a declaration suitable for filing in Court
27 attesting to its due diligence and compliance with all of its obligations under this
28 Agreement, including, but not limited to, its mailing of Class Notice, the Class

1 Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate
2 Class Members, the total number of Requests for Exclusion from Settlement it
3 received (both valid or invalid), the number of written objections and attach the
4 Exclusion List. The Administrator will supplement its declaration as needed or
5 requested by the Parties and/or the Court. Class Counsel is responsible for filing the
6 Administrator's declaration(s) in Court.

7 7.8.6 Final Report by Settlement Administrator. Within 10 days after the
8 Administrator disburses all funds in the Gross Settlement Amount, the Administrator
9 will provide Class Counsel and Defense Counsel with a final report detailing its
10 disbursements by employee identification number only of all payments made under
11 this Agreement. At least 7 days before any deadline set by the Court, the
12 Administrator will prepare, and submit to Class Counsel and Defense Counsel, a
13 signed declaration suitable for filing in Court attesting to its disbursement of all
14 payments required under this Agreement. Class Counsel is responsible for filing the
15 Administrator's declaration in Court.

16 **8. CLASS SIZE ESTIMATES AND ESCALATOR CLAUSE**

17 Based on its records, Defendants estimate that, as of the date of this Settlement Agreement,
18 (1) there are 379 Class Members and 33,555 Total Workweeks during the Class Period and (2) there
19 are 245 Aggrieved Employees who worked 6,876 Pay Periods during the PAGA Period.

20 8.1. Increase in Workweeks. Defendants represent that there are no more than 33,555
21 Workweeks during the Class Period. In the event the number of Workweeks during the
22 Class Period increases by more than 10%, or 3,356 Workweeks, then, at Defendants'
23 election: (1) the Gross Settlement Amount shall be increased proportionally by the
24 Workweeks in excess of 36,911 Workweeks multiplied by the Workweek Value; or (2)
25 the Class Period shall end on the date the number of Workweeks reaches 36,911. The
26 Workweek Value shall be calculated by dividing the originally agreed-upon Gross
27 Settlement Amount (\$300,000.00) by 33,555, which amounts to a Workweek Value of
28 \$8.94. Thus, for example, should there be 37,000 Workweeks in the Class Period, then

1 the Gross Settlement Amount shall be increased by \$795.66 ((37,000 Workweeks –
2 36,911 Workweeks) x \$8.94 per Workweek.). Defendants shall make their election no
3 later than 7 days after receiving sufficient information that the number of Workweeks
4 has exceeded 36,911.

5 **9. DEFENDANTS' RIGHT TO WITHDRAW**

6 If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10%
7 of the total of all Class Members, Defendants may, but is not obligated, elect to withdraw from the
8 Settlement. The Parties agree that, if Defendants withdraw, the Settlement shall be void ab initio,
9 have no force or effect whatsoever, and that neither Party will have any further obligation to perform
10 under this Agreement; provided, however, Defendants will remain responsible for paying all
11 Settlement Administration Expenses incurred to that point. Defendants must notify Class Counsel
12 and the Court of its election to withdraw not later than fourteen days after the Administrator sends
13 the final Exclusion List to Defense Counsel; late elections will have no effect.

14 **10. MOTION FOR FINAL APPROVAL**

15 Prior to the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final
16 approval of the Settlement and a request for approval of the PAGA settlement under Labor Code
17 section 2699, subd. (l), a Proposed Final Approval Order and a proposed Judgment (collectively
18 “Motion for Final Approval”). Plaintiff shall provide drafts of these documents to Defense Counsel
19 no later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense
20 Counsel will expeditiously meet and confer, and in good faith, to resolve any disagreements
21 concerning the Motion for Final Approval.

22 10.1. Response to Objections. Each Party retains the right to respond to any objection
23 raised by a Participating Class Member, including the right to file responsive documents
24 in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise
25 ordered or accepted by the Court.

26 10.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
27 Approval on any material change to the Settlement (including, but not limited to, the
28 scope of release to be granted by Class Members), the Parties will expeditiously work

1 together in good faith to address the Court's concerns by revising the Agreement as
2 necessary to obtain Final Approval. The Court's decision to award less than the amounts
3 requested for the Class Representative Service Payment, Class Counsel Fees Payment,
4 Class Counsel Litigation Expenses Payment, Administrator Expenses Payment, shall not
5 constitute a material modification to the Agreement within the meaning of this
6 paragraph.

7 10.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment,
8 the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for
9 purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement
10 administration matters, and (iii) addressing such post-Judgment matters as are permitted
11 by law.

12 10.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
13 conditions of this Agreement, specifically including the Class Counsel Fees Payment
14 and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement,
15 the Parties, their respective counsel, and all Participating Class Members who did not
16 object to the Settlement as provided in this Agreement, waive all rights to appeal from
17 the Judgment, including all rights to post-judgment and appellate proceedings, the right
18 to file motions to vacate judgment, motions for new trial, extraordinary writs, and
19 appeals. The waiver of appeal does not include any waiver of the right to oppose such
20 motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations
21 to perform under this Agreement will be suspended until such time as the appeal is finally
22 resolved and the Judgment becomes final, except as to matters that do not affect the
23 amount of the Net Settlement Amount.

24 10.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
25 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a
26 material modification of this Agreement (including, but not limited to, the scope of
27 release to be granted by Class Members), this Agreement shall be null and void. The
28 Parties shall nevertheless expeditiously work together in good faith to address the

1 appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing,
2 on a 50-50 basis, any additional Administration Expenses reasonably incurred after
3 remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the
4 Class Representative Service Payment or any payments to Class Counsel shall not
5 constitute a material modification of the Judgment within the meaning of this paragraph,
6 as long as the Gross Settlement Amount remains unchanged.

7 **11. AMENDED JUDGMENT**

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

10 **12. ADDITIONAL PROVISIONS**

11 12.1. No Admission of Liability, Class Certification or Representative Manageability for
12 Other Purposes. This Agreement represents a compromise and settlement of highly
13 disputed claims. Nothing in this Agreement is intended or should be construed as an
14 admission by Defendants that any of the allegations in the Action have merit or that
15 Defendants have any liability for any claims asserted; nor should it be intended or
16 construed as an admission by Plaintiff that Defendants' defenses in the Action have
17 merit. The Parties agree that class certification and representative treatment is for
18 purposes of this Settlement only. If, for any reason the Court does grant Preliminary
19 Approval, Final Approval or enter Judgment, Defendants reserve the right to contest
20 certification of any class for any reasons, and Defendants reserve all available defenses
21 to the claims in the Action, and Plaintiff reserves the right to move for class certification
22 on any grounds available and to contest Defendants' defenses. The Settlement, this
23 Agreement and Parties' willingness to settle the Action will have no bearing on, and will
24 not be admissible in connection with, any litigation (except for proceedings to enforce
25 or effectuate the Settlement and this Agreement).

26 12.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendants
27 and Defense Counsel separately agree that, until the Motion for Preliminary Approval of
28 Settlement is filed, they and each of them will not disclose, disseminate and/or publicize,

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

16 12.3. No Solicitation. The Parties separately agree that they and their respective counsel
17 and employees will not solicit any Class Member to opt out of or object to the Settlement,
18 or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict
19 Class Counsel’s ability to communicate with Class Members in accordance with Class
20 Counsel’s ethical obligations owed to Class Members.

21 12.4. Integrated Agreement. Upon execution by all Parties and their counsel, this
22 Agreement together with its attached exhibits shall constitute the entire agreement
23 between the Parties relating to the Settlement, superseding any and all oral
24 representations, warranties, covenants, or inducements made to or by any Party.

25 12.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
26 represent that they are authorized by Plaintiff and Defendants, respectively, to take all
27 appropriate action required or permitted to be taken by such Parties pursuant to this
28 Agreement to effectuate its terms, and to execute any other documents reasonably

1 required to effectuate the terms of this Agreement including any amendments to this
2 Agreement.

3 12.6. Cooperation. The Parties and their counsel will cooperate with each other and use
4 their best efforts, in good faith, to implement the Settlement by, among other things,
5 modifying the Settlement Agreement, submitting supplemental evidence and
6 supplementing points and authorities as requested by the Court. In the event the Parties
7 are unable to agree upon the form or content of any document necessary to implement
8 the Settlement, or on any modification of the Agreement that may become necessary to
9 implement the Settlement, the Parties will seek the assistance of a mediator and/or the
10 Court for resolution.

11 12.7. No Prior Assignments. The Parties separately represent and warrant that they have
12 not directly or indirectly assigned, transferred, encumbered, or purported to assign,
13 transfer, or encumber to any person or entity and portion of any liability, claim, demand,
14 action, cause of action, or right released and discharged by the Party in this Settlement.

15 12.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendants nor Defense Counsel
16 are providing any advice regarding taxes or taxability, nor shall anything in this
17 Settlement be relied upon as such within the meaning of United States Treasury
18 Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

19 12.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,
20 modified, changed, or waived only by an express written instrument signed or agreed to
21 by all Parties or their representatives, and approved by the Court.

22 12.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure
23 to the benefit of, the successors of each of the Parties.

24 12.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be
25 governed by and interpreted according to the internal laws of the state of California,
26 without regard to conflict of law principles.

1 12.12. 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
3 that the Party was the drafter or participated in the drafting.

4 12.13. 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
6 shall survive the execution of this Agreement.

7 12.14. Use and Return of Class Data. Information provided to Class Counsel pursuant to
8 Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class
9 Counsel by Defendants in connection with the mediation, other settlement negotiations,
10 or in connection with the Settlement, may be used only with respect to this Settlement,
11 and no other purpose, and may not be used in any way that violates any existing
12 contractual agreement, statute, or rule of court.

13 12.15. Headings. The descriptive heading of any section or paragraph of this Agreement is
14 inserted for convenience of reference only and does not constitute a part of this
15 Agreement.

16 12.16. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
17 shall be to calendar days. In the event any date or deadline set forth in this Agreement
18 falls on a weekend or federal legal holiday, such date or deadline shall be on the first
19 business day thereafter.

20 12.17. Execution in Counterparts. This Agreement may be executed in one or more
21 counterparts by facsimile, electronically (i.e., DocuSign), or email which for purposes
22 of this Agreement shall be accepted as an original. All executed counterparts and each
23 of them will be deemed to be one and the same instrument if counsel for the Parties will
24 exchange between themselves signed counterparts. Any executed counterpart will be
25 admissible in evidence to prove the existence and contents of this Agreement.

26 12.18. Stay of Litigation. The Parties agree that upon the execution of this Agreement the
27 litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties
28 further agree that upon the signing of this Agreement that pursuant to CCP section

1 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the
2 entire period of this settlement process.

3 12.19. Severability. In the event that one or more of the provisions contained in this
4 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect,
5 such invalidity, illegality, or unenforceability shall in no way effect any other provision
6 if Defendants' Counsel and Class Counsel, on behalf of the Parties and the Settlement
7 Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable
8 provision had never been included in this Agreement.

9
10 IT IS SO AGREED:

11 _____
12 Plaintiff, Carlos Toscano

13 _____
14 For Defendants, ACRW, INC. and CGWR, Inc.

15
16 **AGREED AS TO FORM ONLY:**

17
18 *David Bibiyan*
19 _____
20 David D. Bibiyan
21 Vedang J. Patel
22 Counsel for Plaintiff

23 *Deborah F. Birndorf*
24 _____
25 Deborah F. Birndorf
26 Natalie M. Lagunas
27 Counsel for Defendants
28

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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.

12.19. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants’ Counsel and Class Counsel, on behalf of the Parties and the Settlement Class, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

Carlos Toscano
Plaintiff, Carlos Toscano

Milo Willie Rhine
Milo Willie Rhine (Jan 20, 2026 17:42:01 PST)
Milo Willie Rhine
Milo Willie Rhine (Jan 20, 2026 17:42:01 PST)
For Defendants ACRW, INC. and CGWR, Inc.

AGREED AS TO FORM ONLY:

David D. Bibiyan
Vedang J. Patel
Counsel for Plaintiff

Deborah F. Birndorf
Natalie M. Lagunas
Counsel for Defendants