

1 **JUSTICE FOR WORKERS, P.C.**

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7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

9 **FOR THE COUNTY OF ALAMEDA**

10
11 MICHAEL CASTRO, an individual and on
12 behalf of all others similarly situated;

13 Plaintiff,

14 vs.

15 BRITE NITES, INC., an Utah corporation; and
16 DOES 1 through 50,

17 Defendants.

Case No.: 24CV061873

[Assigned for All Purposes to:
Hon. Somnath Raj Chatterjee, Dept. 21]

**SUPPLEMENTAL DECLARATION OF
WILLIAM C. SUNG IN SUPPORT OF
MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

(Filed concurrently with [Amended] Proposed
Order)

DATE: June 16, 2026

TIME: 2:30 p.m.

DEPT: 21

RESERVATION ID: 042911514321

Action Filed: January 30, 2024

Trial Date: Not Set

1 I, William C. Sung, hereby declare as follows:

2 1. I am an attorney licensed to practice law in the state of California and have been
3 admitted to practice before this Court. I am an attorney with the law firm of Justice for Workers,
4 P.C., counsel of record for Plaintiff Michael Castro (“Plaintiff”) in this action. I am lead counsel for
5 Plaintiff in this case and I have personal knowledge of the matters stated herein and if called and
6 sworn as a witness, I would and could competently testify under oath thereto.

7 2. I submit this Supplemental Declaration to address the Court’s concerns in its May
8 12, 2026 Order Re: Hearing on Plaintiff’s Motion for Preliminary Approval of Class Action and
9 PAGA Settlement. The Parties have executed an Amended Stipulation and Settlement of Class and
10 PAGA Claims (“Amended Agreement”) and revised the Class Notice to address all of the Court’s
11 concerns in its May 12, 2026 Order.

12 3. Enclosed as **Exhibit A** is a true and correct copy of the executed Amended
13 Stipulation and Settlement of Class and PAGA Claims (“Amended Agreement”). The amended
14 Class Notice is attached to the Agreement as Exhibit 1.

15 4. Enclosed as **Exhibit B** is a true and correct copy of the redlined Amended Agreement
16 showing all of the revisions made to the original Agreement.

17 5. Enclosed as **Exhibit C** is a true and correct copy of the redlined amended Class
18 Notice showing all of the revisions made to the original Class Notice.

19 6. Enclosed as **Exhibit D** is a true and correct copy of the redlined (Amended Proposed)
20 Order showing all of the revisions made to the original (Proposed Order). A clean version of the
21 (Amended Proposed) Order is being submitted to the Court concurrently herewith.

22 7. On June 8, 2026, I uploaded a copy of the executed Amended Agreement and this
23 Supplemental declaration to the LWDA’s website. Enclosed as **Exhibit E** is a true and correct copy
24 of the LWDA’s filing confirmation.

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

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Executed on June 8, 2026 at Los Angeles, California.



William C. Sung

EXHIBIT A

1 **SHEPPARD, MULLIN, RICHTER & HAMPTON LLP**

2 A Limited Liability Partnership
3 Including Professional Corporations
4 SAMANTHA D. HARDY, Cal Bar No. 199125
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14 Attorneys for Defendant
15 BRITE NITES, INC.

16 **Justice for Workers, P.C.**

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25 Attorneys for Plaintiff
26 MICHAEL CASTRO

27 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

COUNTY OF ALAMEDA

28 MICHAEL CASTRO, an individual and on
29 behalf of all others similarly situated,

30 Plaintiff,

31 v.

32 BRITE NITES, INC., an Utah corporation;
33 and DOES 1 through 50, inclusive,

34 Defendants.

Case No. 24CV061873

**AMENDED STIPULATION AND
SETTLEMENT OF CLASS AND PAGA
CLAIMS**

Assigned for All Purposes to:
Hon. S. Raj Chatterjee
Dept.: 21

Complaint Filed: January 30, 2024
Trial Date: Not Yet Set

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1 I. Definitions. The following terms and definitions will be used in this Stipulation
2 and Settlement of Class Claims. Additional terms are defined throughout the document as well.

3
4 A. “Named Plaintiff” means Plaintiff Michael Castro.

5
6 B. “Defendant” means Brite Nites, Inc.

7
8 C. “Class Members” shall be defined as all current and former independent
9 contractors who performed work for Brite Nites, Inc. in California during the Class Period.
10 “Aggrieved Employees” shall be defined as all current and former independent contractors who
11 performed work for Brite Nites, Inc. in California during the PAGA Period.

12
13 D. “Parties” means Named Plaintiff and Defendant, collectively, as defined
14 above.

15
16 E. “Plaintiffs’ Counsel” or “Class Counsel” means William C. Sung and
17 Tiffany L. Lu of Justice for Workers, P.C.

18
19 F. “Action” or “Class Action” means the lawsuit filed in Alameda County
20 Superior Court, entitled *Michael Castro v. Brite Nites, Inc.*, Case No. 24CV061873.

21
22 G. “Operative Complaint” means the First Amended Complaint filed by
23 Named Plaintiff in the Action (“FAC”).

24 H. “Participating Class Members” means all Class Members who do not elect
25 to exclude themselves by following steps set forth in Section X.F.5.b below.

1 I. “Class Period” means the time period beginning on January 30, 2020, and
2 ending on the date preliminary approval of the Settlement is granted or November 13, 2025,
3 whichever date is earlier.

4
5 J. “PAGA Period” means the time period beginning one year prior to Plaintiff
6 submitting his LWDA letter (*i.e.*, January 29, 2023) through and including the date preliminary
7 approval of the Settlement is granted or November 13, 2025, whichever date is earlier.

8
9 K. “Unlocated Class Member” means any Class Member whose Notice has
10 been returned as undeliverable after all of the procedures in Section X.F.4.c have been followed.
11 Unlocated Class Members will not be sent individual settlement awards, but will remain Class
12 Members.

13
14 L. “Effective Date” means the date by which this settlement is finally
15 approved as provided herein and the Court’s Final Judgment (“Final Judgment or “Judgment”)
16 becomes final. For purposes of this Section, the Court’s Final Judgment becomes final upon the
17 latter of: (i) if no appeal is filed, the expiration date and time for the filing or noticing of any
18 appeal from the Court’s judgment [the earlier of 60 days from the date a Notice of Entry of
19 Judgment or a file-stamped copy of the Final Judgment and Order (substantially in the form
20 attached hereto as **Exhibit 3**) is served on counsel]; (ii) if an appeal is filed, the date of affirmance
21 of an appeal of the judgment becomes final under the California Rules of Court [30 days after the
22 date a court of appeal’s decision is filed unless the court of appeal (1) grants a petition for
23 rehearing which by rule vacates the decision and sets the case “at large in the Court of Appeal,” or
24 (2) certifies its opinion for publication or partial publication after filing its decision, which resets
25 the finality period from the filing date of the order for publication]; (iii) if an appeal is filed, the
26 expiration of the time for a petition for review of the Final Judgment or of any court of appeal
27 decision relating to the Final Judgment [10 days after the Court of Appeal’s decision is final], and,
28 if review is granted, the date of final affirmance of the Final Judgment following review pursuant

1 to that grant; or (iv) if an appeal is filed, the date of final dismissal of any appeal from the
2 Judgment or the final dismissal of any proceeding on review of any court of appeal decision
3 relating to the Judgment.

4
5 II. Settlement Agreement. This Stipulation and Settlement of Class Claims
6 (“Settlement,” “Stipulation,” or “Agreement”) is made between the Named Plaintiff on behalf of
7 himself and each of the other Class Members on the one hand, and the Defendant, on the other
8 hand, in the Action and subject to approval of the Court. In the event the Settlement does not
9 become effective by the terms of this Stipulation or for any other reason, any Orders entered
10 pursuant to this Stipulation shall be rendered null and void, and shall be vacated, and the Parties
11 shall revert to their respective positions existing immediately on the date before the mediation on
12 August 15, 2025.

13
14 III. Procedural History. Named Plaintiff filed his lawsuit in Alameda County Superior
15 Court on January 30, 2024, against Defendant, alleging the following causes of action: (1)
16 minimum wage violations (Labor Code §§ 1182.12, 1194, 1194.2, 1197); (2) overtime wage
17 violations (Labor Code §§ 204, 510, 1194, 1198); (3) meal period violations (Labor Code §§
18 226.7, 512, 558); (4) rest period violations (Labor Code §§ 226.7, 516, 558); (5) wage statement
19 penalties (Labor Code § 226); (6) waiting time penalties (Labor Code §§ 201-203); (7) failure to
20 reimburse necessary business expenses (Labor Code § 2802); (8) unfair competition (Bus. & Prof.
21 Code §§ 17200 *et seq.*). On May 21, 2024, Named Plaintiff filed the Operative Complaint, adding
22 a cause of action for violation of the Private Attorneys General Act of 2004 (“PAGA”) against
23 Defendant. On August 15, 2025, the Parties mediated the case before Joann Rezzo via Zoom,
24 which resulted in resolving the matter and the execution of this Agreement.

25
26 IV. Investigation in the Class Action. The Parties have conducted an extensive
27 investigation of the facts and the law, including, *inter alia*, the exchange of documents and
28 information through informal and formal discovery. Further, the Parties held numerous meetings

1 and informal conferences wherein they exchanged information, theories of the case, and class data.
2 Specifically, Defendant provided Named Plaintiff with the payment and time records of all
3 putative class members. Defendant also provided Named Plaintiff with additional key data points
4 per Named Plaintiff's requests. Counsel for the Parties further investigated the applicable law as
5 applied to the facts discovered regarding the alleged claims of Class Members and potential
6 defenses thereto, *i.e.*, Defendant's contentions that it properly provided meal and rest periods,
7 properly paid for all time worked, reimbursed for all expenses, and the damages claimed by Class
8 Members.

9
10 V. Named Plaintiff's Claims. Named Plaintiff has claimed and continues to claim that
11 the Released Claims, as defined in Section X.B below, have merit and give rise to liability on the
12 part of Defendant. Neither this Agreement, the documents referred to or contemplated herein, nor
13 any action taken to carry out this Agreement is, or may be construed or used as, an admission,
14 concession, or indication by or against Named Plaintiff or Class Counsel as to the merits or lack
15 thereof of the Claims asserted.

16
17 VI. Defendant's Denial of Wrongdoing. Defendant has denied and continue to deny
18 each of the Claims and contentions alleged by Named Plaintiff in the Action. Defendant has
19 repeatedly asserted and continue to assert defenses thereto, and has expressly denied and continue
20 to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the
21 Action. Defendant also has denied and continue to deny, *inter alia*, the allegations that Class
22 Members have suffered damages; that Defendant violated the California Labor Code or any other
23 provision of law; that Defendant engaged in any other wrongful conduct as alleged in the Action;
24 or that Class Members were harmed by the conduct alleged in the Action. Neither this Agreement,
25 nor any document referred to or contemplated herein, nor any action taken to carry out this
26 Agreement, is, may be construed as, or may be used as an admission, concession, or indication by
27 or against Defendant of any fault, wrongdoing or liability whatsoever.

1 VII. Named Plaintiff's Reasons for Settlement. Named Plaintiff recognizes the expense
2 and length of continued proceedings necessary to continue the litigation against Defendant through
3 trial and through any possible appeals. Named Plaintiff has also taken into account the uncertainty
4 and risk of the outcome of further litigation, and the difficulties and delays inherent in such
5 litigation. Named Plaintiff is also aware of the burdens of proof necessary to establish liability for
6 the claims asserted in the Action (the "Claims" or "Class Action Claims"), Defendant's defenses
7 thereto, and the difficulties in establishing damages for Class Members. Named Plaintiff has also
8 taken into account the discovery undertaken and settlement negotiations conducted, which
9 negotiations resulted in the material settlement terms entered into on August 15, 2025. Based on
10 the foregoing, Named Plaintiff has determined that the Settlement set forth in this Agreement is a
11 fair, adequate, and reasonable settlement, and is in the best interests of Class Members.

12
13 VIII. Defendant's Reasons for Settlement. Defendant has concluded that any further
14 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
15 time, energy, and resources of Defendant has been and, unless this Settlement is made, will
16 continue to be, devoted to the defense of the claims asserted by Class Members. For these
17 reasons, Defendant has agreed to settle in the manner and upon the terms set forth in this
18 Agreement to put to rest the Claims as set forth in the Action.

19
20 IX. This Settlement is Fair, Adequate, and Reasonable. The Parties believe this
21 Settlement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this
22 Settlement after arms-length negotiations taking into account all relevant factors, present and
23 potential. This Settlement was reached after extensive negotiations with experienced mediator
24 Joann Rezzo.

25
26 X. Stipulation. NOW, THEREFORE, IT IS HEREBY STIPULATED, by and among
27 Named Plaintiff on one hand and Defendant on the other hand, and conditioned upon approval by
28

1 the Court, that the Class Action is hereby compromised and settled pursuant to the terms and
2 conditions set forth in this Agreement.

3
4 A. Class Certification. For purposes of this Stipulation only, the Parties agree
5 to the certification of the Settlement Class and to include all current and former independent
6 contractors who performed work for Defendant in California during the Class Period. Should for
7 whatever reason the Stipulation not become final, the fact that the Parties were willing to stipulate
8 to class certification as part of the Settlement shall have no bearing on, and shall not be admissible
9 in connection with, the issue of whether a class should be certified in a non-settlement context in
10 the Action, and shall have no bearing on, and shall not be admissible in connection with, the issue
11 of whether a class should be certified in any other lawsuit.

12
13 B. Release as to All Participating Class Members and the LWDA. The release
14 set forth in this Section pertains to Participating Class Members and Aggrieved Employees. As
15 set forth in Section I.H above, Participating Class Members are “all Class Members who do not
16 elect to exclude themselves by following the steps set forth in Section X.F.5.b below.” As of the
17 date that Defendant makes Funding Payments One to Three and the employer’s share of payroll
18 taxes, as described below, the Participating Class Members, including Named Plaintiff, release
19 Defendant and each of its past or present officers, directors, shareholders, employees, agents,
20 principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its
21 respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys,
22 and each of its company-sponsored employee benefit plans and all of their respective officers,
23 directors, employees, administrators, fiduciaries, trustees, and agents (the “Released Parties”) from
24 the “Released Class Claims” arising during the Class Period. For the purposes of this Agreement,
25 “Released Class Claims” means all claims alleged in Named Plaintiff’s Operative Complaint in
26 the Action, or that could have been alleged based upon the facts pleaded in the Operative
27 Complaint, under any theory of law, including but not limited to all claims for alleged violations
28 of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage,

1 straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular
2 rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end of
3 employment); meal and rest period claims (including claims regarding how any meal or rest period
4 penalties were calculated); unpaid expense reimbursements; record-keeping violations; and any
5 and all associated statutory penalties and damages (including but not limited to pay stub penalties,
6 waiting time penalties, any other statutory penalties arising under the California Labor Code, and
7 liquidated damages for the Class Period). The Class Members may not sue or otherwise make a
8 claim against any of the Released Parties for the Released Claims.

9 The Parties agree that this release shall have full res judicata effect as to FLSA
10 claims for all Participating Class Members as described in *Rangel v. PLS Check Cashers of*
11 *California, Inc.*, 899 F.3d 1106 (9th Cir. 2018), if the Participating Class Member endorses and
12 cashes his or her settlement check. The Released Class Claims expressly do not include claims for
13 unemployment compensation, workers' compensation, discrimination, or retaliation.

14 As of the date that Defendant makes Funding Payments One to Three and the
15 employer's share of payroll taxes, as described below, Named Plaintiff, as proxy and agent on
16 behalf of the LWDA, releases Defendant and each of its past or present officers, directors,
17 shareholders, employees, agents, principals, heirs, representatives, accountants, auditors,
18 consultants, insurers and reinsurers, and its respective successors and predecessors in interest,
19 subsidiaries, affiliates, parents, and attorneys, and each of its company-sponsored employee
20 benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries,
21 trustees, and agents (the "Released Parties") from the "Released PAGA Claims" arising during the
22 PAGA Period. For the purposes of this Agreement, "Released PAGA Claims" means all claims
23 for civil penalties under the PAGA alleged in Named Plaintiff's letter to the LWDA and
24 Defendant dated January 29, 2024 alleging violations of the PAGA (the "LWDA Notice"), or that
25 could have been alleged based upon the facts pleaded in the LWDA Notice, under any theory of
26 law, including but not limited to all claims for alleged violations of the Labor Code and/or Wage
27 Orders, including but not limited to unpaid minimum wage, straight time, or overtime wages
28 (including on an off-the-clock, rounding, calculation of regular rates, sick time, vacation pay, or

1 other theory); timing of payment (both during or at the end of employment); meal and rest period
2 claims (including claims regarding how any meal or rest period penalties were calculated); unpaid
3 expense reimbursements; record-keeping violations; and any and all associated civil penalties
4 arising under the California Labor Code.

5
6 C. General Release by Named Plaintiff Only. Named Plaintiff, as of the date
7 that Defendant makes Funding Payments One to Three and the employer's share of payroll taxes,
8 as described below, makes the additional following general release of all claims, known or
9 unknown. Named Plaintiff fully releases and discharges the Released Parties from all claims,
10 demands, rights, liabilities, and causes of action of every nature and description whatsoever,
11 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
12 violation of any state or federal statute, rule, or regulation arising out of, relating to, or in
13 connection with any act or omission by or on the part of any of the Released Parties committed or
14 omitted prior to the execution hereof relating to his employment with or resignation from any of
15 the Released Parties. This includes any unknown claims Named Plaintiff does not know or
16 suspect to exist in his favor, which, if known by him, may have affected his settlement with, and
17 release of, the Released Parties or might have affected his decision not to object to the settlement.

18 With respect to the General Release, Named Plaintiff stipulates and agrees that, as
19 of the date that Defendant makes Funding Payments One to Three and the employer's share of
20 payroll taxes, as described below, Named Plaintiff shall be deemed to have, and by operation of
21 the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted
22 by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any
23 other similar provision under federal or state law, which provides:

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

27 Named Plaintiff may hereafter discover facts in addition to or different from those
28 he now knows or believes to be true with respect to the subject matter of the General Release, but

1 as of the Date that Defendant makes Funding Payments One to Three and the employer's share of
2 payroll taxes, as described below, shall be deemed to have, and by operation of the Final Judgment
3 shall have, fully, finally, and forever settled and released any and all of the claims released
4 pursuant to the General Release, whether known or unknown, suspected or unsuspected,
5 contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law
6 or equity now existing or coming into existence in the future, including but not limited to conduct
7 that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without
8 regard to the subsequent discovery or existence of such different or additional facts. Named
9 Plaintiff will no longer be an aggrieved employee for purposes of PAGA once the Settlement is
10 approved and Defendant completes its duties under the Settlement Agreement. Named Plaintiff
11 will refrain from filing any litigation against Defendant while the Settlement is pending.

12
13 D. Neutral Reference. Defendant will only provide dates of employment and
14 job title in response to any inquiries it may receive from prospective employers on behalf of
15 Named Plaintiff. Prospective employers must call (385) 900-1020. The only information that will
16 be provided will be Named Plaintiff's job titles and dates of employment.

17
18 E. Settlement Fund. Defendant will create a non-reversionary Settlement Fund
19 in the amount of Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) ("Settlement
20 Fund") plus the employer's share of payroll taxes due on the Settlement Checks that are cashed by
21 Participating Class Members. Defendant shall fully fund the Settlement Fund by making annual
22 payments into an escrow account administered by the Settlement Administrator. Defendant shall
23 make three annual contributions of \$100,000.00 into the escrow account based on the following
24 schedule: on or before January 31, 2026 ("Funding Payment One"); on or before January 31, 2027
25 ("Funding Payment Two"); and on or before January 31, 2028 ("Funding Payment Three").
26 Defendant shall also fund the amounts necessary to fully pay Defendant's share of payroll taxes by
27 transmitting the funds to the Administrator no later than January 31, 2027 so that all Individual
28 Settlement Awards can be distributed in the first settlement distribution. The Settlement

1 Administrator shall refund the amounts representing payroll taxes on checks that are not cashed by
2 Participating Class Members. If the Court does not approve the Settlement and enter final
3 judgment, the Settlement Administrator shall refund payments made by Defendant into the escrow
4 account less its expenses in administering the Settlement. The Settlement Fund will be allocated
5 among these elements:

6 (a) payments to Participating Class Members of the Individual Settlement Awards less
7 deductions as explained in Section X.E.2;

8 (b) a total amount not to exceed Seven Thousand Five Hundred Dollars and No Cents
9 (\$7,500.00) to be paid to the Named Plaintiff as a Service Award, subject to Court
10 approval;

11 (c) reasonable settlement administration expenses, in an amount not to exceed Eight
12 Thousand Six Hundred Ninety Dollars and No Cents (\$8,690.00), subject to Court
13 approval, to be paid to the Settlement Administrator to cover the reasonable costs of the
14 Settlement Administration process;

15 (d) Class Counsel's attorneys' fees not to exceed one-third (1/3) of the Settlement Fund,
16 or a maximum of One Hundred Thousand Dollars and No Cents (\$100,000.00) subject to
17 Court approval;

18 (e) Class Counsel's litigation costs not to exceed the amount of Twenty Thousand Dollars
19 and No Cents (\$20,000.00) subject to their billing statements and Court approval; and

20 (f) Fifteen Thousand Dollars and No Cents (\$15,000.00) allocated for penalties recoverable
21 under PAGA and payable to the Labor and Workforce Development Agency ("LWDA"),
22 75% of which, or \$11,250.00, will be paid to the LWDA, and 25% of which, or \$3,750.00,
23 will be paid to Aggrieved Employees as Individual PAGA Awards.

24 Any amounts allocated to Named Plaintiff's Service Award, Settlement
25 Administration costs, Attorneys' Fees and Litigation Costs, and PAGA penalties not awarded by
26 the Court shall be added to Individual Settlement Awards and paid to Participating Class
27 Members. Any amounts earmarked for Unlocated Class Members shall be transmitted to a Court-
28 approved nonprofit organization or foundation consistent with Code of Civil Procedure Section

1 384, subd. (b) (“Cy Pres Recipient”). The Parties designate Legal Aid Foundation of Los
2 Angeles as the Cy Pres Recipient.

3 The amount that remains after the Service Award, Settlement Administration
4 expenses, Attorneys’ Fees and Costs, PAGA penalties, and any unawarded portions of those
5 components have been deducted from the Settlement Fund shall be called the “Payout Fund.”

6
7 1. Fees and Costs Award and Service Award. The Parties agree to the
8 designation of William C. Sung and Tiffany L. Lu of Justice for Workers, P.C. as “Class
9 Counsel.” Class Counsel will request that the Court approve an award of attorneys’ fees of up
10 One Hundred Thousand Dollars and No Cents (\$100,000.00), subject to Court approval (“Fees
11 Award”). This constitutes one-third (1/3) of the value of the Settlement Fund. Class Counsel will
12 also request a Costs Award not to exceed Twenty Thousand Dollars and No Cents (\$20,000.00).
13 Defendant will not oppose these requests. Class Counsel shall not be permitted to petition the
14 Court for, or accept, any additional payments for fees, costs, or interest, and the Fees Award and
15 Costs Award shall be for all claims for attorneys’ fees and costs, past, present, and future, incurred
16 in the Action.

17 Defendant’s payment of the Fees Award and Costs Award to Class Counsel shall
18 constitute full satisfaction of the obligation to pay any amounts to any person, attorney, or law
19 firm for attorneys’ fees, expenses, or costs in the Action incurred by any attorney on behalf of
20 Named Plaintiff and/or the Class. Further, said payment shall relieve Defendant, the Settlement
21 Administrator, the Settlement Fund, and Defendant’s Counsel of any other claims or liability to
22 any other attorney or law firm for any attorneys’ fees, expenses, and/or costs to which any of them
23 may claim to be entitled on behalf of Named Plaintiff and/or the Class.

24 Class Counsel will request that the Court approve a Service Award in a total
25 amount not to exceed Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) to be paid
26 to Named Plaintiff as a Service Award and to be paid out of and deducted from the Settlement
27 Fund. Defendant will not oppose such request. Named Plaintiff’s Service Award will be
28 designated as 100% 1099-MISC income . Named Plaintiff will indemnify Defendant for any tax

1 penalties due or payable by Named Plaintiff. Named Plaintiff will receive a 1099 form relating to
2 the Service Award. This award shall be in addition to the amount the Named Plaintiff may receive
3 as a Participating Class Member and Aggrieved Employee.

4 The Fees Award, Costs Award, and Service Award shall be paid by Defendant by
5 and through the Settlement Administrator from the Settlement Fund to Class Counsel based on
6 two distributions as discussed in detail below.

7
8 2. Plan of Allocation for Payment to Participating Class Members and
9 Aggrieved Employees. Defendant shall pay, by and through the Settlement Administrator from
10 the Payout Fund, the Individual Settlement Awards to the Participating Class Members and
11 Individual PAGA Awards to the Aggrieved Employees based on two distributions as discussed in
12 detail below in the section entitled "Procedure for Payment of Settlement Awards Through Two
13 Distributions" and in accordance with the following eligibility and settlement formula
14 requirements.

15 a. Excluded from becoming a Participating Class Member are
16 those Class Members who submit valid and timely requests for exclusion pursuant to the terms
17 and procedures of the Notice of Class Action Settlement (attached as **Exhibit 1** hereto). Because
18 future PAGA claims are subject to claim preclusion upon entry of the judgment, Aggrieved
19 Employees remain eligible for an Individual PAGA Award and are deemed to release Released
20 PAGA Claims regardless of whether they submit valid and timely requests for exclusion.

21 b. Any Class Member who does not timely request exclusion
22 shall become a Participating Class Member and will receive an Individual Settlement Award. The
23 Individual Settlement Awards to be allocated to each Participating Class Member shall be
24 calculated as follows:

25 (1) After deducting the amount of the Fees Award, the
26 Costs Award, the Service Award, PAGA penalties to the LWDA and Aggrieved Employees, and
27 settlement administration expenses that are all finally approved by the Court, the remaining
28 Payout Fund will be allocated to the Participating Class Members;

1 (2) To arrive at these amounts, the Payout Fund will be
2 distributed on a pro-rata basis to Participating Class Members on a per-workweek basis.
3 Participating Class Members will receive their pro-rata share based on how many workweeks they
4 worked during the Class Period as compared to all workweeks worked by all Participating Class
5 Members during the Class Period (“Workweek Totals”). The number of workweeks for each
6 Class Member will be determined by adding the number of weeks wherein each Class Member
7 received payment from Defendant. Any partial workweek will be expressed as a percentage of a
8 full workweek. This shall be considered each Class Member’s “Workweek Figure.” Participating
9 Class Members’ Gross Settlement Amounts will be calculated by dividing the Payout Fund by the
10 total of all Class Members’ Workweek Figures to arrive at a Per-Workweek Amount, and then
11 multiplying this amount by each Participating Class Member’s Workweek Figure.

12 c. Ten percent (10%) of all Individual Settlement Awards to
13 Participating Class Members will be called the “Gross Wage Portion.” The remaining Ninety
14 percent (90%) of payments to Participating Class Members represents the “Non-Wage Portion” of
15 the Individual Settlement Award and includes interest and statutory penalties sought in the Action.
16 Participating Class Members will be issued W2s for the Wage Portions of their Individual
17 Settlement Payment and IRS Form 1099s for the Non-Wage Portions. The resulting amount will
18 be each individual Participating Class Member’s “Gross Wage Component.” From each
19 Participating Class Member’s Gross Wage Component, payroll deductions will be made for state
20 and federal withholding taxes and any payroll taxes owed by the Participating Class Member and
21 the Defendant as a result of the payment, resulting in a “Net Wage Component.” The total of the
22 Net Wage Component and the Non-Wage Portion shall be the Participating Class Member’s “Net
23 Settlement Amount.” The Net Settlement Amount will be the net amount paid to each
24 Participating Class Member and is the Participating Class Member’s “Individual Settlement
25 Award.”

26 d. The Settlement Administrator shall be responsible for issuing
27 the payments and calculating and withholding all required state and federal taxes owed by the
28 Participating Class Members and Defendant. The Settlement Administrator shall calculate the

1 Settlement Awards no later than seven (7) calendar days after receiving the Workweek Totals for
2 each Class Member (i.e., the “Class List and Data Report” defined below) from Defendant.

3 e. The Settlement Administrator will calculate each Individual
4 PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA
5 penalties (\$3,570.00) by the total number of workweeks worked by all Aggrieved Employees
6 during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's workweeks
7 worked during the PAGA Period. The Individual PAGA Payment will be classified as 100% 1099
8 payments.

9 f. Some of the Individual Settlement Awards and Individual
10 PAGA Awards may remain unclaimed because a Class Member and/or Aggrieved Employee (1)
11 was an Unlocated Class Member, (2) submitted a valid and timely request for exclusion, and/or (3)
12 failed to cash their Individual Settlement Award and/or Individual PAGA Award checks within
13 one hundred twenty (120) days of its issuance, as allowed by Court order. Funds associated with
14 these unclaimed amounts shall be deducted from the Payout Fund and transmitted to the Cy Pres
15 Recipient.

16
17 3. Operation of the Settlement Fund and Payout Fund.

18
19 a. Except as provided herein, at no time shall Defendant have
20 the obligation to segregate the funds comprising the Settlement Fund from their other assets, and
21 Defendant will retain exclusive authority over, and responsibility for, those funds until they are
22 paid over to the Settlement Administrator.

23 b. The Settlement Administrator will calculate the net amounts
24 to be paid to the Participating Class Members and Aggrieved Employees from the Settlement
25 Fund in accordance with the terms and provisions of this Agreement.

26 c. The Settlement Administrator shall have the authority and
27 obligation to make payments, credits, and disbursements, including payments and credits in the
28 manner set forth herein, to Participating Class Members and Aggrieved Employees from the

1 Settlement Fund in accordance with the methodology set out in this Agreement and orders of the
2 Court.

3 d. To the extent any tax returns must be filed for the Settlement
4 Fund pursuant to this Agreement, the Settlement Administrator shall cause to be timely and
5 properly filed all informational and other tax returns, if any, necessary with respect to the
6 Settlement Fund. Such returns shall be consistent with this Section. The Parties do not believe
7 that the Settlement Fund will generate any taxable income. However, if any taxable income is
8 generated by the Settlement Fund, the tax returns filed shall reflect that all taxes payable on the
9 taxable income of the Settlement Fund, if any, shall be paid from the Settlement Fund. Any
10 expenses consisting of the expenses and costs incurred in connection with the operation and
11 implementation of this Section (including, without limitation, reasonable expenses of tax
12 attorneys, accountants, or other designees retained by the Settlement Administrator as required for
13 the preparation and filing of tax returns described in this Section) shall be treated as, and
14 considered to be, a cost of administration of the Settlement.

15 e. No person shall have any claim against Defendant,
16 Defendant's Counsel, Named Plaintiff, Class Members, based on distributions and payments made
17 in accordance with this Agreement. For the avoidance of doubt, there is no waiver of any claims
18 against the Settlement Administrator based on distributions and payments made in accordance
19 with this Agreement.

20
21 4. Escalator Clause. Defendant estimates the Workweek Totals is
22 1,208 workweeks (i.e., Class Members collectively worked 1,208 workweeks during the Class
23 Period). If the Workweek Totals is 18% higher than 1,208 (i.e., 1,426 workweeks or more), then
24 the Settlement Fund is to be increased proportionally by the workweeks in excess of 18% (1,426
25 workweeks) (the "Escalator Clause"). For example, if the Workweek Totals is 20% higher than
26 1,208, then the Settlement Fund will increase by 2%.

1 F. Administration of the Settlement.

2
3 1. A hearing shall be held before the Court on a mutually-convenient
4 date, or on another date and time if that hearing is rescheduled, at which the Named Plaintiff shall
5 request preliminary approval of the Settlement. In conjunction with this hearing, Named Plaintiff
6 will submit this Agreement, which sets forth the terms of this Settlement, and will include
7 proposed forms of all notices and other documents as attached hereto necessary to implement the
8 Settlement. Defendant shall not oppose Named Plaintiff's request for preliminary approval
9 consistent with this Agreement.

10
11 2. Simultaneous with the filing of this Agreement, and solely for
12 purposes of this Settlement, Named Plaintiff will request the Court to enter the Preliminary
13 Approval Order ("Preliminary Approval Order") (substantially in the form attached as **Exhibit 2**
14 hereto) preliminarily approving the proposed Settlement, approving the appointment of Class
15 Counsel, and setting a date for final approval of the Settlement. The Proposed Order shall provide
16 for notice of the Settlement and related matters to be sent to Class Members as specified herein.
17 The Parties will request the Court, in its preliminary approval of this Settlement, to enjoin any
18 Class Members from initiating or prosecuting any proceeding on any claim to be released pursuant
19 to this Stipulation unless, and until, either the Class Member opts out of the class, or the Effective
20 Date does not occur (as set forth in Section I.L, above).

21
22 3. Interim Stay of Proceedings. The Parties agree to hold all Court
23 proceedings in the Action in abeyance pending the Preliminary Settlement Hearing and Final
24 Approval Hearing to be conducted by the Court. No additional discovery shall be conducted in
25 this case unless this Settlement Agreement is nullified in accordance with Section X.G below.

26
27 4. Notice of the Settlement shall be provided to Class Members using
28 the following procedures:

1 a. Class List. Within fourteen (14) calendar days after
2 Preliminary Approval, Defendant shall provide the Settlement Administrator a “Class List and
3 Data Report” showing the full names; social security numbers, to the extent Defendant is aware of
4 them; last known e-mail addresses and mailing addresses for all Class Members; and their weeks
5 worked within a covered position, as well as applicable Workweek Totals and workweeks worked
6 during the PAGA Period. If Defendant is not in possession of some or all of this information for
7 particular Class Members, Defendant will provide the information that it does have in its
8 possession. The Settlement Administrator shall keep this information confidential and shall not
9 share this information with Class Counsel. Additionally, Class Members and Class Counsel shall
10 not be entitled to the names or contact information for the Class Members. Class Counsel’s
11 contact information will be included on the Class Notice so that Class Members can reach them.

12 b. Settlement Administrator. The Parties agree to designate
13 Apex Class Action LLC as the “Settlement Administrator.” In the event Apex Class Action LLC
14 is subsequently unable to serve as Settlement Administrator, another Settlement Administrator
15 shall be agreed to by the Parties, or, if they cannot reach agreement, will be selected by the Court.
16 The Parties agree that they have selected a Settlement Administrator with whom they have no
17 financial interest or other relationship that could create a conflict of interest. The Settlement
18 Administrator shall be responsible for: managing the escrow account and payments Defendant
19 makes into the Settlement Fund; preparing, printing, and mailing the Notice as directed by the
20 Court to the Class Members; communicating with Class Members and others regarding the
21 Settlement Award administration process, corrections, and/or additional information needed for
22 administration; calculating the Total Workweeks; calculating the amount of the Individual
23 Settlement and PAGA Awards and all payroll tax deductions to be withheld; keeping track of opt
24 outs; drafting and mailing Settlement Award checks to Participating Class Members and
25 Aggrieved Employees; disbursing the Fees Award and Costs Award to Class Counsel; disbursing
26 the Service Awards to Named Class Member; submitting the LWDA’s portion of the PAGA
27 payment to the LWDA; preparing, mailing, and filing all applicable tax forms necessary as a result
28 of the payments made under this Settlement; and for such other tasks as the Parties mutually agree

1 or the Court orders the Settlement Administrator to perform. Defendant represent that the Notice
2 will be provided in English and Spanish to the Class.

3 c. Notice Mailing. By no later than fourteen (14) calendar days
4 after receipt of the Class List and Data Report, the Settlement Administrator shall send the Notice
5 to all Class Members via First Class U.S. Mail. Prior to mailing, one National Change of
6 Address (“NCOA”) search will be performed on Defendant’s records to ascertain updated
7 contact information for all Class Members. Any Notices returned to the Settlement
8 Administrator as non-delivered before the Notice Deadline Date specified below shall be sent to
9 the forwarding address affixed thereto within ten (10) days of receiving notice that a Notice was
10 undeliverable. If no forwarding address is provided, then the Settlement Administrator shall
11 attempt to determine a correct address by using a single computer or other search using the
12 available identifying information and shall forward the Notice to the correct address.

13 d. In the event the procedures in this Section are followed and
14 the intended recipient of a Notice still does not receive the Notice, the intended recipient shall
15 remain a Participating Class Member and shall be bound by all terms of the Settlement and by any
16 Final Judgment entered by the Court, provided the Settlement is approved by the Court. As
17 defined above, these persons shall be included as “Unlocated Class Members.”

18 e. The Parties agree that this procedure (i.e., direct notice via
19 U.S. Mail) is the best notice practicable under the circumstances and fully complies with due
20 process and all applicable laws and rules.

21
22 5. Procedure for Objecting to or Requesting Exclusion from Class
23 Action Settlement and Challenging the Number of Workweeks.

24
25 a. Procedure for Objecting. The Notice shall provide that
26 Participating Class Members who wish to object to the Settlement must submit a written statement
27 objecting to the Settlement. Such written objection must contain the name of the person objecting;
28 whether the objector has retained an attorney; and if the objector has retained an attorney, the

name of the firm, name of the attorney, address, and telephone number. Such written statement must be returned by mail or email to the Settlement Administrator and must be postmarked no later than sixty (60) calendar days after the date the Notice is first mailed based on the postmark date of the Notice (the “Objection/Exclusion Deadline Date”). Participating Class Member shall also be entitled to appear at the final Settlement Hearing (whether individually or through separate counsel at their own expense) to object to the Settlement. The date of the postmark on the return mailing envelope or email shall be the exclusive means used to determine whether an objection has been timely submitted. Participating Class Members who fail to submit timely written or oral objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. Further, if the objector retains an attorney, the attorney must file a valid notice of appearance within seven (7) days after the deadline for submitting objections. Any Participating Class Member who submits a timely and valid objection will still be entitled to their Individual Settlement Award as a Participating Class Member and will be bound by the Settlement if the Court approves the Settlement. If a Class Member submits both a timely objection and request for exclusion from the settlement, the objection will not be considered but the request for exclusion will be accepted.

b. Procedure for Requesting Exclusion. The Notice shall provide that Class Members who wish to exclude themselves from the Class must submit a written statement requesting exclusion from the Class on or before the Objection/Exclusion Deadline Date. Such written request for exclusion must contain the name of the person requesting exclusion and a statement that he or she request exclusion from the class and do not wish to participate in the settlement. Such request must be returned by mail or email to the Settlement Administrator and must be postmarked on or before the Objection/Exclusion Deadline Date. The date of the postmark on the return mailing envelope or email shall be the exclusive means used to determine whether a request for exclusion has been timely submitted. Any Class Member who submits a timely and valid request for exclusion from the Class will not be entitled to any recovery of Individual Settlement Awards and will not be bound by the Released Class Claims or have any

1 right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely
2 request for exclusion on or before the Objection/Exclusion Deadline Date shall become
3 Participating Class Members and shall be bound by all terms of the Settlement and any Final
4 Judgment entered in the Class Action if the Settlement is approved by the Court.

5 c. Challenges to Calculation of Workweeks. Each Class
6 Member shall have, by the Objection/Exclusion Deadline Date, to challenge the number of
7 workweeks during the Class Period and PAGA Period (if any) allocated to the Class Member in
8 the Notice of Class Action Settlement. The Class Member may challenge the allocation by
9 communicating with the Settlement Administrator via email or mail. The Settlement
10 Administrator must encourage the challenging Class Member to submit supporting documentation.
11 In the absence of any contrary documentation, the Settlement Administrator is entitled to presume
12 that the workweeks contained in the Notice of Class Action Settlement are correct so long as they
13 are consistent with the Class List and Data Report. The Settlement Administrator's determination
14 of each Class Member's allocation of workweeks shall be final and not appealable or otherwise
15 susceptible to challenge. The Settlement Administrator shall promptly provide copies of all
16 challenges to calculation of workweeks to Defense Counsel and Class Counsel and the
17 Administrator's determination the challenges.

18
19 6. No Solicitation of Settlement Objections or Exclusions. The Parties
20 agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the
21 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written
22 objections to the Settlement or requests for exclusion from the Settlement Class or to appeal from
23 the Court's Final Judgment.

24
25 7. The Settlement Administrator will, on a weekly basis during and for
26 a reasonable period following the Notice Period, provide updates to Class Counsel and Defense
27 Counsel as to the number of Class Members who submitted (i) valid opt-out requests for
28 exclusions; and (ii) objections. To the extent practicable, the weekly updates shall also provide

1 updated data on the number of Class Notices that are returned undeliverable and any re-mailing
2 efforts. The updates shall not identify the Class Members by name, address, or any other
3 information.

4
5 8. The Settlement Administrator will prepare a declaration to be
6 provided to Class Counsel and Defendant's Counsel for filing in support of Class Member's
7 motion for final approval attesting to the following: (i) its mailing efforts regarding the Class
8 Notice; (ii) its receipt of the valid requests for exclusion, and its inability to deliver the Class
9 Notice to Class Members, if any; and (iii) the average, highest and lowest estimated Individual
10 Settlement Awards within 14 calendar days after the Objection/Exclusion Deadline Date.

11
12 9. Option to Terminate Settlement. If, after the Objection/Exclusion
13 Deadline Date, and before the Settlement Hearing referenced in Section X.F.10 below, the number
14 of Class Members who have timely submitted valid requests for exclusion total more than ten
15 percent (10%) of all Class Members, Defendant shall have, in their sole discretion, the option to
16 terminate this Settlement. To be valid, a request for exclusion must be submitted on a timely basis
17 and contain the information required by the Settlement Agreement. Defendant agrees to meet and
18 confer in good faith with Class Counsel before withdrawing from this Agreement. In the event
19 that Defendant elects to withdraw, they shall provide written notice of such withdrawal to Class
20 Counsel. If Defendant chooses to exercise its rights to withdraw from the Settlement Agreement,
21 Defendant must do so within ten (10) days after the Settlement Administrator notifies Class
22 Counsel and Defendant's Counsel of the number of valid opt outs or objections received, which
23 the Settlement Administrator will do within ten (10) days after the Objection/Exclusion Deadline
24 Date. Class Counsel may attempt to cause retraction of any election of exclusion by Class
25 Members. If Defendant has exercised its option to withdraw from the Settlement Agreement, and
26 Class Counsel succeeds in causing the retraction of sufficient requests for exclusion such that the
27 remaining number of Class Members seeking exclusion does not exceed 10% of the Class
28 Member Class, then Defendant's notice of withdrawal from the Settlement Agreement shall

1 automatically be deemed a nullity. To retract a prior request for exclusion, a Class Member must
2 provide to the Settlement Administrator at least three (3) calendar days prior to the Final
3 Settlement Hearing, or any adjournment thereof, a written notice stating their desire to retract their
4 request for exclusion from the Class Member Class. Any withdrawal from this Agreement by
5 Defendant shall have the same effect as a termination of the Settlement Agreement for failure to
6 satisfy a condition of settlement, and the Settlement Agreement shall become null and void and
7 have no further force or effect, and the Settlement Class certified pursuant to the Settlement
8 Agreement will be decertified for all purposes. If Defendant chooses to terminate the Stipulation
9 based upon this Section, Defendant shall pay the Settlement Administrator's fees and costs
10 incurred to that point.

11
12 10. Final Settlement Approval Hearing and Entry of Final Judgment.

13 Upon expiration of the Objection/Exclusion Deadline Date, with the Court's permission, a Final
14 Settlement Approval Hearing ("Settlement Hearing") shall be conducted to determine final
15 approval of the Settlement along with the amount properly payable for (i) attorneys' fees and costs
16 to Class Counsel, (ii) Named Plaintiff's Service Award, (iii) Settlement Administration fees, and
17 (iv) PAGA penalties. Upon final approval of the Settlement by the Court at or after the Settlement
18 Hearing, the Parties shall present an Order Granting Final Approval and Final Judgment ("Final
19 Judgment and Order") (substantially in the form attached as **Exhibit 3** hereto) to the Court for its
20 approval. After entry of the Final Judgment and Order, the Court shall have continuing
21 jurisdiction pursuant to California Code of Civil Procedure Section 664.6 solely for purposes of
22 addressing: (i) settlement administration matters and (ii) such post-Final Judgment matters as may
23 be appropriate under court rules or as set forth in this Agreement.

24
25 11. The Settlement Administrator shall establish a Settlement Account
26 (either a separate checking account or separate ledger entry), and timely fund any checks written
27 upon the Settlement Account to pay all amounts owed under this Settlement.
28

1 12. Procedure for Payment of Settlement Awards Through Two
2 Distributions.

3
4 a. First Distribution. Within twenty-one (21) calendar days of
5 Funding Payment Two, the Settlement Administrator will distribute all monies in the Settlement
6 Fund by paying out, in the following order until the funds are exhausted: (1) all Individual
7 Settlement Awards to the Participating Class Members, (2) all Individual PAGA Awards to
8 Aggrieved Employees, (3) PAGA penalties to the LWDA, (4) the Named Plaintiff's Service
9 Award, (5) Class Counsel's litigation costs, and (6) Class Counsel's attorney's fees. No later than
10 January 4, 2027, the Settlement Administrator shall calculate the maximum amount of employer-
11 side payroll taxes due on the Gross Wage Portion of the Individual Settlement Awards and provide
12 said calculations to Defendant. Defendant shall pay the employer-side payroll taxes due on the
13 Gross Wage Portion of the Individual Settlement Awards to the Settlement Administrator by
14 January 31, 2027.

15 b. Second Distribution. Within twenty-one (21) calendar days
16 of January 31, 2028, the Settlement Administrator will distribute all remaining monies in the
17 Settlement Fund.

18 c. Any checks paid to Participating Class Members shall
19 remain valid and negotiable for one hundred twenty (120) days from the date of their issuance
20 ("Check Stale Date"). Any checks not cashed after one hundred twenty (120) calendar days will
21 be distributed to the Cy Pres Recipient as set forth within this Agreement. For any checks that are
22 returned with a forwarding address, the Settlement Administrator shall send the check to that
23 forwarding address within ten (10) calendar days. For any checks that are returned with no
24 forwarding address, the Settlement Administrator shall attempt to determine a correct address by
25 using a single computer or other search and shall email the Participating Class Member at the
26 email address provided by Defendant. If the Settlement Administrator obtains a new address, then
27 the check shall be mailed to that new address within ten (10) calendar days. In the event these
28 procedures are utilized and the person does not receive the check, the Settlement Administrator

1 will have fulfilled all of its obligations under this section and shall distribute the funds in that
2 check to the Cy Pres Recipient.

3
4 13. Administration of the Settlement shall be completed on or before the
5 date approximately one hundred twenty (120) days or sooner after the Check Stale Date for the
6 second distribution. Upon completion of administration of the Settlement, the Settlement
7 Administrator shall provide Class Counsel and counsel for Defendant with a declaration of
8 completion to be filed with the Court by Class Counsel.

9
10 14. Administration Cost. All of Defendant's own legal fees, costs, and
11 expenses incurred in the Action shall be borne by Defendant. In accordance with Section X.E,
12 settlement administration expenses will be part of the Settlement Fund. The Parties agree to
13 cooperate in the Settlement administration process and to make all reasonable efforts to control
14 and minimize the costs and expenses incurred in administration of the Settlement.

15
16 G. Nullification of Settlement Agreement. In the event that prior to the
17 Effective Date: (i) the Court does not enter a Preliminary Approval Order; (ii) the Court does not
18 finally approve the Settlement as provided herein; (iii) the Court does not enter a Final Judgment
19 as provided herein which becomes final as a result of the occurrence of the Effective Date; (iv)
20 more than ten percent (10%) of Class Members submit valid opt-out election forms and Defendant
21 exercise their option to void the settlement; or (v) the Settlement does not become final for any
22 other reason, this Settlement Agreement shall be null and void and any order or judgment entered
23 by the Court in furtherance of this Settlement shall be treated as void *ab initio*. In that case, the
24 Parties will seek to reach a revised agreement acceptable to them to be presented to the Court. In
25 the event the Parties cannot reach a mutually acceptable revised agreement, they shall ask the
26 mediator to assist them in resolving the remaining disputes before litigating further. In the event
27 the Parties are unable to reach a revised agreement, or any such revised agreement is not approved
28 by the Court, the Parties shall proceed in all respects as if this Settlement Agreement had not been

1 executed and Defendant will not make any payments under this Settlement Agreement, except that
2 any fees already incurred by the Settlement Administrator shall be paid for by Defendant. In the
3 event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought
4 prior to the Effective Date, administration of the Settlement shall be stayed pending final
5 resolution of the appeal or other appellate review. The Parties will work cooperatively in
6 connection with defending the settlement on appeal and each party will file papers in support of
7 the settlement as necessary and appropriate.

8
9 H. No Effect on Employee Benefits. The Service Awards and Individual
10 Settlement Awards paid to the Named Plaintiff and Participating Class Members shall be deemed
11 not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of,
12 any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Named
13 Plaintiff or Participating Class Members. The Parties agree that any Service Award and Individual
14 Settlement Awards paid to Named Plaintiff and Participating Class Members under the terms of
15 this Agreement do not represent any modification of Named Plaintiff's or Participating Class
16 Members' previously credited hours of service, or other eligibility criteria, under any employee
17 pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any
18 Service Award or Individual Settlement Awards hereunder shall not be considered
19 "compensation" in any year for purposes of determining eligibility for, or benefit accrual within,
20 an employee pension benefit plan, employee welfare benefit plan sponsored by Defendant, or
21 unemployment benefits. Defendant will not take 401(k) or other benefits deductions from any
22 Service Award or Individual Settlement Awards.

23
24 I. Notices. Named Plaintiff shall give the following notices:
25 a. Named Plaintiff will provide the required notice to the
26 LWDA pursuant to California Labor Code § 2699(1)(2).

1 J. Privacy of Documents and Information. Within 30 days of execution of this
2 Agreement, Defendant will file a Notice of Conditional Settlement of the Action.. Named
3 Plaintiff and Named Plaintiff's counsel agree that none of the documents and information
4 provided to them by Defendant shall be used for any purpose other than prosecution of the Class
5 Action.

6
7 K. Confidentiality Prior to Preliminary Approval. The undersigned agree that
8 prior to the date of the filing of the papers in support of Preliminary Approval, they will keep
9 confidential the terms of this Settlement, and there shall be no publicity of any kind relating to this
10 Settlement. Named Plaintiff shall be informed that the Settlement is confidential up until the date
11 of the filing of the papers in support of Preliminary Approval, and shall be advised to keep this
12 Settlement confidential. Notwithstanding the foregoing, Named Plaintiff and Class Counsel may
13 inform their immediate family and legal, tax, and financial advisors of this Settlement. However,
14 before disclosing any such information to any such person, Named Plaintiff or Class Counsel (as
15 the case may be) shall advise such person(s) that the information is confidential. The disclosure of
16 this information to any other person shall constitute a breach of this Agreement. Prior to the date
17 of the filing of the papers in support of Preliminary Approval, Class Counsel and Counsel for
18 Defendant may not communicate the terms of this Settlement to Class Members, other than
19 Named Plaintiff, including on websites. Notwithstanding the foregoing, the Parties may discuss
20 the terms of the Settlement in any papers filed with the Court relating to preliminary approval of
21 the Settlement. Defendant may reference this Settlement prior to Preliminary Approval in its
22 financial disclosures.

23
24 L. Limited Publicity Following Preliminary Approval. From and after
25 Preliminary Approval of the Settlement, Class Counsel and Named Plaintiff may only comment
26 regarding the specific terms of this Agreement: (1) as required by law; or (2) as required under the
27 terms of this Agreement. In all other cases, Class Counsel and Named Plaintiff agree to not
28 publicize this Settlement in any way. Neither Named Plaintiff nor Class Counsel shall hold any

1 press conference, make any press release, make statements to the press, publish the settlement on
2 the internet or social media, or in any way affirmatively publicize any information related in any
3 way to the Settlement. Notwithstanding the foregoing, Class Counsel is expressly permitted to
4 disclose the publicly filed terms of this settlement in their declarations filed in other cases;
5 provided that the declarations are not otherwise publicized or reported and are only filed with the
6 courts in any other cases. Nothing in this paragraph or any other provision of this Agreement is
7 intended to prevent the Parties from disclosing factual information regarding any claim for sexual
8 harassment, sex discrimination, or retaliation for reporting sexual harassment or sex discrimination
9 pursuant to California Code of Civil Procedure § 1001(a)(3). Further, nothing in this Agreement
10 shall prevent Class Members from engaging in any form of concerted activity that is protected by
11 Section 7 of the National Labor Relations Act, which is codified at 29 U.S.C. § 157. Information
12 about such rights is available to Class Members on the National Labor Relations Board's website,
13 www.nlr.gov.

14
15 M. No Admission by the Released Parties. Defendant and the Released Parties
16 deny any and all claims alleged in the Action and deny all wrongdoing whatsoever. This
17 Agreement is not a concession or admission, and shall not be used against Defendant or any of the
18 Released Parties as an admission or indication with respect to any claim of any fault, concession,
19 or omission by Defendant or any of the Released Parties. Whether or not the Settlement is finally
20 approved, neither the Settlement, nor any document, statement, proceeding, or conduct related to
21 this Agreement, nor any reports or accounts thereof, shall in any event be:

22
23 1. Construed as, offered as, admitted into, or deemed to be evidence
24 for any purpose adverse to the Released Parties, including but not limited to evidence of a
25 presumption, concession, indication, or admission by any of the Released Parties of any liability,
26 fault, wrongdoing, omission, concession, or damage; or
27
28

1 2. Disclosed, referred to, offered, or received as evidence against any
2 of the Released Parties in any further proceeding in the Action, or any other civil, criminal, or
3 administrative action or proceeding, except for purposes of settling the Action pursuant to this
4 Agreement or enforcing the terms of this Stipulation.

5
6 N. Exhibits and Headings. The terms of this Agreement include the terms set
7 forth in any of the attached **Exhibits 1 through 3**, which are incorporated by this reference as
8 though fully set forth herein. Any Exhibits to this Agreement are an integral part of the
9 Settlement. The descriptive headings of any Paragraphs or Sections of this Agreement are inserted
10 for convenience of reference only and do not constitute a part of this Agreement.

11
12 O. Amendment or Modification. This Agreement may be amended or
13 modified only by a written instrument signed by counsel for all Parties or their successors-in-
14 interest.

15
16 P. Entire Agreement. This Agreement and the attached Exhibits constitute the
17 entire agreement among these Parties, and no oral or written representations, warranties, or
18 inducements have been made to any Party concerning this Agreement or its Exhibits, other than
19 the representations, warranties, and covenants contained and memorialized in such documents.

20
21 Q. Authorization to Enter into Settlement Agreement. Counsel for all Parties
22 warrant and represent that they are expressly authorized by the Parties whom they represent to
23 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
24 such Parties (including the execution of any other documents) pursuant to this Agreement to
25 effectuate the terms of said Agreement. The Parties and their counsel will cooperate with each
26 other and use their best efforts to effect the implementation of the Settlement.

1 R. Binding on Successors and Assigns. This Agreement shall be binding upon,
2 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

3
4 S. California Law Governs. All terms of this Agreement and the Exhibits
5 attached hereto shall be governed by and interpreted according to the laws of the State of
6 California.

7
8 T. Counterparts. This Agreement may be executed in one or more
9 counterparts and transmitted via email or facsimile. All executed counterparts, their copies and
10 each of them, shall be deemed to be one and the same instrument.

11
12 U. Cooperation and Drafting. Each of the Parties has cooperated in the
13 drafting and preparation of this Agreement. Hence, in any construction made of this Agreement,
14 the same shall not be construed against any of the Parties.

15
16 V. Invalidity of Any Provision. Before declaring any provision of this
17 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest
18 extent possible consistent with applicable precedents so as to define all provisions of this
19 Agreement valid and enforceable.

20
21 W. Named Plaintiff's General Release Remains Effective. Named Plaintiff
22 agrees to sign this Agreement and by signing this Agreement is bound by the terms herein stated,
23 including without limitation the release set forth in Section 0. Named Plaintiff shall retain his
24 rights as a Participating Class Member under this Agreement, but understands that should he opt
25 out of the Settlement, he shall waive his rights to any recovery of any Service Award.

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NAMED PLAINTIFF

Dated: 06 / 05 / 2026

By: 
MICHAEL CASTRO

DEFENDANT

Dated: 6/8/2026

BRITE NITES, INC.

By: 7740E7D1E00945C...

Its: CEO

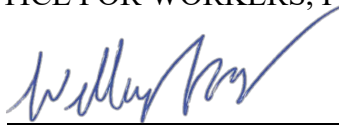
1 APPROVED AS TO FORM:

2 **PLAINTIFF'S COUNSEL**

3
4 Dated: June 5, 2026

JUSTICE FOR WORKERS, P.C.

5
6 By:



WILLIAM C. SUNG
TIFFANY L. LUU

Attorneys for Plaintiff
MICHAEL CASTRO

7
8
9
10 **DEFENDANT'S COUNSEL**

11 Dated: 6/8/2026

SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

12
13 By:

Signed by:



SAMANTHA D. HARDY
CARINA L. NOVELL
BERNICE E. DIAZ

Attorneys for Defendant
BRITE NITES, INC.

EXHIBIT 1

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

Michael Castro v. Brite Nites, Inc., Case No. 24CV061873

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

You may be eligible to receive money from a class action lawsuit (“Action”) against Brite Nites, Inc. (“Defendant”) for alleged wage and hour violations. The Action was filed by alleged employee Michael Castro (“Named Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all current and former independent contractors who performed work for Brite Nites, Inc. in California during the Class Period of January 30, 2020 through November 13, 2025 (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all current and former independent contractors who performed work for Brite Nites, Inc. in California during the PAGA Period of January 29, 2023 through November 13, 2025 (“Aggrieved Employees”).

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

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Settlement Award is estimated to be \$INSERT (less withholding) and your Individual PAGA Payment is estimated to be \$INSERT**. The actual amount you may receive may 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 did not work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked INSERT Workweeks** during the Class Period, and **you worked INSERT PAGA Workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

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

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Award and/or an Individual PAGA Payment. As a Participating Class Member though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the class settlement (opt-out) by submitting the written request for exclusion or otherwise notifying the Settlement Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Settlement Award. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Award and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written request for exclusion. Once excluded, you will be a non-Participating Class Member and no longer eligible for an Individual Settlement Award. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Named Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Named Plaintiff, but every dollar paid to Class Counsel and Named Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Named Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Settlement Hearing	The Court’s Settlement Hearing is scheduled to take place on [REDACTED]. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Settlement Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Class/PAGA Period Workweeks Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Settlement Award and PAGA Payment (if any) depend on how many Workweeks you worked at least one day during the Class Period and the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period workweeks you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Named Plaintiff is a former alleged employee of Defendant Brite Nites, Inc. The Action accuses Defendant of violating California labor laws by misclassifying employees as independent contractors; failing to pay minimum and overtime wages, failing to provide legally compliant meal and rest periods; failing to reimburse necessary business expenses; failing to pay wages due upon termination; failing to provide accurate itemized wage statements; and unfair competition. Based on the same claims, Named Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Named Plaintiff is represented by attorneys in the Action: William C. Sung, Tiffany L. Luu, Joseph C. Ramli of Justice for Workers, P.C. (“Class Counsel”)

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

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

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

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

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

1. Defendant Will Pay \$300,000.00 as the Settlement Fund. Defendant has agreed to deposit the Settlement Fund into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Settlement Fund to pay the Individual Settlement Awards, Individual PAGA Payments, Named Plaintiff Service Award, Class Counsel’s attorney’s fees and expenses, the Settlement Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Defendant shall fully fund the Settlement Fund by making annual payments into an escrow account administered by the Settlement Administrator. Defendant shall make three annual contributions of \$100,000.00 into the escrow account based on the following schedule: on or before January 31, 2026 (“Funding Payment One”); on or before January 31, 2027 (“Funding Payment Two”); and on or before January 31, 2028 (“Funding Payment Three”). Defendant shall also fund the amounts necessary to fully pay Defendant’s share of payroll taxes by transmitting the funds to the Administrator no later than January 31, 2027 so that all Individual Settlement Awards can be distributed in the first settlement distribution.
2. Settlement Payment Distributions. Assuming the Court grants Final Approval and the Judgment entered by the Court becomes final, payment from the Settlement Fund shall be paid through two distributions. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

A. First Distribution. Within twenty-one (21) calendar days of Funding Payment Two,

the Settlement Administrator will distribute all monies in the Settlement Fund by paying out, in the following order until the funds are exhausted: (1) all Individual Settlement Awards to the Participating Class Members, (2) all Individual PAGA Awards to Aggrieved Employees, (3) PAGA penalties to the LWDA, (4) the Named Plaintiff's Service Award, (5) Class Counsel's litigation costs, and (6) Class Counsel's attorney's fees. .

- B. Second Distribution. Within twenty-one (21) calendar days of January 31, 2028, the Settlement Administrator will distribute all remaining monies in the Settlement Fund.
3. Court-Approved Deductions from Settlement Fund. At the Settlement Hearing, Named Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Settlement Fund, the amounts of which will be decided by the Court at the Settlement Hearing:
- A. Up to \$100,000.00 (One-Third or 33 1/3% of the Settlement Fund) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 to Named Plaintiff as Named Plaintiff Service Award for filing the Action, working with Class Counsel and representing the Class. A Named Plaintiff Service Award will be the only monies Named Plaintiff will receive other than Named Plaintiff's Individual Settlement Award and any Individual PAGA Payment.
 - C. Up to \$8,690.00 to the Settlement Administrator for services administering the Settlement.
 - D. Up to \$15,000.00 for PAGA Penalties, allocated 75% to the LWDA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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

4. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Settlement Fund (the "Net Settlement") by making Individual Settlement Awards to Participating Class Members based on their Class Period Workweeks.
5. Taxes Owed on Payments to Class Members. Named Plaintiff and Defendant are asking the Court to approve an allocation of 10% of each Individual Settlement Award to taxable wages ("Wage Portion") and 90% to interests and penalties ("Non-Wage Portion"). The Wage

Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Settlement Awards on IRS 1099 Forms.

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

6. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Awards and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, the funds from your check will be transmitted to the Legal Aid Foundation of Los Angeles, a Court-approved nonprofit organization.
7. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than **INSERT**, that you wish to opt-out. The easiest way to notify the Settlement Administrator is to send a written and signed request for exclusion by the **INSERT** Response Deadline. The request for exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Settlement Awards but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

8. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant final approval of the Settlement or decline to enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Named Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.
9. Settlement Administrator. The Court has appointed a neutral company, Apex Class Action LLC (the "Settlement Administrator") to send this Notice, calculate and make payments, and process Class Members' requests for exclusion. The Settlement Administrator will also decide Class Member challenges over workweeks, mail and re-mail settlement checks and

tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator's contact information is contained in Section 9 of this Notice.

10. Participating Class Members' Release. After the judgment is final and Defendant has fully funded the Settlement Fund and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the Class Period facts and PAGA Penalties based on PAGA Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release: All Participating Class Members release Defendant and each of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys, and each of its company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees, and agents (the "Released Parties") from the "Released Class Claims" arising during the Class Period. "Released Class Claims" means all claims alleged in Named Plaintiff's Operative Complaint in the Action, or that could have been alleged based upon the facts pleaded in the Operative Complaint, under any theory of law, including but not limited to all claims for alleged violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end of employment); meal and rest period claims (including claims regarding how any meal or rest period penalties were calculated); unpaid expense reimbursements; record-keeping violations; and any and all associated statutory penalties and damages (including but not limited to pay stub penalties, waiting time penalties, any other statutory penalties arising under the California Labor Code, and liquidated damages for the Class Period). The Class Members may not sue or otherwise make a claim against any of the Released Parties for the Released Claims. This release shall have full res judicata effect as to FLSA claims for all Participating Class Members if the Participating Class Member endorses and cashes his or her settlement check. The Released Class Claims expressly do not include claims for unemployment compensation, workers' compensation, discrimination, or retaliation.

11. LWDA's PAGA Release. After the Court's Judgment is final, and Defendant has paid the Settlement Fund and separately paid the employer-side payroll taxes, Named Plaintiff, as proxy and agent on behalf of the LWDA, release Defendant and each of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys, and each of its company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees, and agents (the "Released Parties") from

the “Released PAGA Claims” arising during the PAGA Period. “Released PAGA Claims” means all claims for civil penalties under the PAGA alleged in Named Plaintiff’s letter to the LWDA and Defendant dated January 29, 2024 alleging violations of the PAGA (the “LWDA Notice”), or that could have been alleged based upon the facts pleaded in the LWDA Notice, under any theory of law, including but not limited to all claims for alleged violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end of employment); meal and rest period claims (including claims regarding how any meal or rest period penalties were calculated); unpaid expense reimbursements; record-keeping violations; and any and all associated civil penalties arising under the California Labor Code.

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Awards. The Settlement Administrator will calculate Individual Settlement Awards by (a) subtracting the Service Award, Class Counsel’s attorney’s fees and costs, PAGA penalties, and Settlement Administrator’s expenses from the Settlement Fund to arrive at a net settlement fund (“Payout Fund”); (b) dividing the Payout Fund by the total number of workweeks worked by all Participating Class Members, and (c) multiplying the result by the number of workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA penalties (\$3,570.00) by the total number of workweeks worked by all Aggrieved Employees and (b) multiplying the result by the number of workweeks worked by each individual Aggrieved Employee.
3. Class/PAGA Period Workweek Challenges. The number of workweeks you worked during the Class Period and the PAGA Period, as recorded in Defendant’s records, are stated in the first page of this Notice. You have until **INSERT** to challenge the number of class/PAGA period workweeks credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email, or fax. Section 9 of this Notice has the Settlement Administrator’s contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Settlement Administrator will accept Defendant’s calculation of class/PAGA period workweeks based on Defendant’s records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve class/PAGA period workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant’s Counsel. The Settlement Administrator’s decision is final. You cannot appeal or otherwise

challenge its final decision.

5. HOW WILL I GET PAID?

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

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

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

Submit a written and signed letter with your name and a simple statement that you do not want to participate in the Settlement. The Settlement Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Michael Castro v. Brite Nites, Inc.*, Case No. 24CV061873, and include your full name. You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Settlement Administrator must receive your request to be excluded by INSERT, or it will be invalid.** Section 9 of the Notice has the Settlement Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Named Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the **INSERT** Settlement Hearing, Class Counsel and/or Named Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Attorneys' Fees and Litigation Costs and Named Plaintiff Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and costs; and (ii) the amount Named Plaintiff is requesting as Named Plaintiff Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website www.INSERT.com or the Court's website <https://eportal.alameda.courts.ca.gov/>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Attorneys' Fees and Litigation Costs, and Named Plaintiff Service Award may wish to object. **The deadline for sending written objections to the**

Settlement Administrator is INSERT. Be sure to tell the Settlement Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Michael Castro v. Brite Nites, Inc.*, Case No. 24CV061873 and include your full name and sign the objection. Section 9 of this Notice has the Settlement Administrator's contact information.

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

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Settlement Hearing **INSERT** at **INSERT a.m./p.m.** in Department 21 of the Alameda Superior Court, Rene C. Davidson Courthouse, located at 1225 Fallon Street, Oakland, CA 94612. At the Hearing, the judge will decide whether to grant final approval of the Settlement and how much of the Settlement Fund will be paid to Class Counsel, Named Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually (<https://www.alameda.courts.ca.gov/general-information/remote-appearances>). Check the Court's website for the most current information.

It is possible the Court will reschedule the Settlement Hearing. You should check the Settlement Administrator's website www.INSERT.com beforehand or contact Class Counsel to verify the date and time of the Settlement Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Named Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Settlement Administrator's website at www.INSERT.com. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://eportal.alameda.courts.ca.gov/>) and entering the Case Number for the Action, Case No. 24CV061873. You can also make an appointment to personally review court documents in the Clerk's Office at the Alameda Superior Court.

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

Class Counsel:

JUSTICE FOR WORKERS, P.C.

William C. Sung

Tiffany L. Luu

Joseph C. Ramli

3600 Wilshire Blvd., Ste. 1815

Los Angeles, CA 90010

T: (323) 922-2000

william@justiceforworkers.com

tluu@justiceforworkers.com

jramli@justiceforworkers.com

Settlement Administrator:

INSERT

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT 2

1 **JUSTICE FOR WORKERS, P.C.**

William C. Sung SB# 280792

2 E-Mail: william@justiceforworkers.com

Tiffany L. Luu SB# 335127

3 E-Mail: tluu@justiceforworkers.com

3600 Wilshire Boulevard, Suite 1815

4 Los Angeles, CA 90010

Tel: 323-922-2000

5 Fax: 323-922-2000

6 Attorneys for Plaintiff MICHAEL CASTRO

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF ALAMEDA**

11 MICHAEL CASTRO, an individual and on
12 behalf of all others similarly situated,

13 Plaintiff,

14 v.

15 BRITE NITES, INC., an Utah corporation; and
16 DOES 1 through 50, inclusive,

17 Defendants.

Case No.: 24CV061873

[Assigned for All Purposes to:
Hon. S. Raj Chatterjee, Dept. 21]

**(AMENDED PROPOSED) ORDER
GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

DATE: June 16, 2026

TIME: 2:30 p.m.

DEPT: 21

Action Filed: January 30, 2024

Trial Date: Not Set

1 The Motion of Plaintiff Michael Castro (“Plaintiff”) for Preliminary Approval of Class
2 Action and PAGA Settlement came on regularly for hearing before this Court on June 16, 2026 at
3 2:30 p.m. This Court, having considered the Parties’ Amended Stipulation and Settlement of Class
4 and PAGA Claims¹ (the “Agreement” or the “Settlement”) attached to the Supplemental
5 Declaration of William C. Sung filed concurrently herein; having considered Plaintiff’s Motion for
6 Preliminary Approval of Class Action and PAGA Settlement, Memorandum of Points and
7 Authorities in support thereof, and supporting declarations filed therewith; and good cause
8 appearing, HEREBY ORDERS THE FOLLOWING:

9 1. The Court **GRANTS** preliminary approval of the Settlement as set forth in the
10 Agreement and finds its terms to be within the range of reasonableness of a settlement that
11 ultimately could be granted approval by the Court at a Final Approval Hearing. For purposes of
12 approving this Settlement only, the Court finds that the proposed Class is ascertainable and that
13 there is a sufficiently well-defined community of interest among the members of the Class in
14 questions of law and fact. Therefore, for Settlement purposes only, the Court grants conditional
15 certification of the following Class:

16 All current and former independent contractors who performed work for Brite Nites,
17 Inc. in California during the Class Period of January 30, 2020 through November 13,
2025.

18 2. The Court finds the allocation from the Settlement Fund to PAGA penalties—
19 including the Labor & Workforce Development Agency’s (“LWDA”) 75% share and the Aggrieved
20 Employees’ 25% share—as fair, adequate, and reasonable in light of the overall Settlement Fund.
21 “Aggrieved Employees” are all current and former independent contractors who performed work
22 for Brite Nites, Inc. in California during the PAGA Period of January 29, 2023 through November
23 13, 2025. Pursuant to Labor Code section 2699(s)(2), the LWDA will be provided notice of the
24 Agreement and the settlement terms.

25 3. For Settlement purposes only, the Court designates Named Plaintiff Michael Castro
26 as Class Representative and William C. Sung and Tiffany L. Luu of Justice for Workers, P.C. as
27
28

¹ All defined terms contained herein shall have the same meanings as set forth in the Agreement.

1 Class Counsel.

2 4. The Court designates Apex Class Action, LLC as the third-party Settlement
3 Administrator, as more specifically set forth in the Settlement.

4 5. The Court approves, as to form and content, the Class Notice attached as Exhibit 1 to
5 the Agreement.

6 6. The Court finds that the form of notice to the Class regarding the pendency of the
7 action and of the Settlement, and the methods of giving notice to Class Members, constitute the best
8 notice practicable under the circumstances, and constitute valid, due, and sufficient notice to all of
9 the Class Members. The form and method of giving notice complies fully with the requirements of
10 California Code of Civil Procedure section 382, California Civil Code section 1781, California
11 Rules of Court 3.766 and 3.769, the California and United States Constitutions, and other applicable
12 law.

13 7. The Court further approves the procedures for the Class Members to opt out of or
14 object to the Settlement, as set forth in the Class Notice and Settlement.

15 8. The procedures and requirements for filing objections in connection with the Final
16 Approval Hearing are intended to ensure the efficient administration of justice and the orderly
17 presentation of any Class Member's objection to the Settlement in accordance with the due process
18 rights of all members of the Class.

19 9. The Court directs the Settlement Administrator to mail the Class Notice to Class
20 Members in accordance with the terms of the Settlement.

21 10. The Class Notice shall provide at least sixty (60) calendar days' notice for Class
22 Members to opt out of, or object to, the Settlement.

23 11. The Final Approval Hearing on the question of whether the Settlement should be
24 finally approved as fair, reasonable, and adequate is scheduled in Department 21 of this Court,
25 located at Rene C. Davidson Courthouse, located at 1225 Fallon Street, Oakland, CA 94612 on
26 _____, 2026 at ____ a.m./p.m.

27 12. At the Final Approval Hearing, the Court will consider: (a) whether the Settlement
28 should be finally approved as fair, reasonable, and adequate for the Class; (b) whether a judgment

granting final approval of the Settlement should be entered; and (c) whether Plaintiff's application for reasonable attorneys' fees, reimbursement of litigation expenses, service award to Plaintiff, settlement administration costs, and payment to the LWDA for penalties under the Labor Code Private Attorneys General Act should be granted.

13. Counsel for the parties shall file memoranda, declarations, or other statements and materials in support of their request for final approval of the Settlement, attorneys' fees, litigation expenses, Plaintiff's service award, payment to the LWDA, and settlement administration costs, prior to the Final Approval Hearing according to the time limits set by the Code of Civil Procedure and the California Rules of Court.

14. The Court reserves the right to continue the Final Approval Hearing without further notice to the class. However, if written objections are submitted, Class Counsel is ordered to serve notice on any such objecting class member of the new date and time of the Final Approval Hearing.

15. An implementation schedule is below:

Event	Date
Defendant to provide Class Data to the Settlement Administrator no later than:	14 calendar days after Preliminary Approval
Settlement Administrator to mail the Class Notice to Class Members no later than:	14 calendar days after receiving Class List and Data Report
Deadline for Class Members to request exclusion from, or object to, the Settlement:	60 calendar days after mailing
Deadline for Settlement Administrator to provide declaration of due diligence and compliance:	14 calendar days after opt-out/objection deadline
Deadline for Plaintiff to file Motion for Final Approval of Class Action Settlement:	16 court days before Final Approval Hearing
Final Approval Hearing	_____, 2026 at _____

16. Pending the Final Approval Hearing, all proceedings in this Action, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

17. Counsel for the parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the Settlement which are not materially inconsistent with

1 either this Order or the terms of the Settlement.

2 **IT IS SO ORDERED.**

3
4 DATED: _____

5 Hon. S. Raj Chatterjee
6 Judge of the Superior Court
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EXHIBIT 3

1 **JUSTICE FOR WORKERS, P.C.**
William C. Sung SB# 280792
2 E-Mail: william@justiceforworkers.com
Tiffany L. Luu SB# 335127
3 E-Mail: tluu@justiceforworkers.com
3600 Wilshire Boulevard, Suite 1815
4 Los Angeles, CA 90010
Tel: 323-922-2000
5 Fax: 323-922-2000

6 Attorneys for Plaintiff MICHAEL CASTRO

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF ALAMEDA**

10
11 MICHAEL CASTRO, an individual and on
12 behalf of all others similarly situated,

13 Plaintiff,

14 v.

15 BRITE NITES, INC., an Utah corporation; and
DOES 1 through 50, inclusive,

16 Defendants.

Case No.: 24CV061873

[Assigned for All Purposes to:
Hon. S. Raj Chatterjee, Dept. 21]

**(PROPOSED) JUDGMENT AND ORDER
GRANTING MOTION FOR FINAL
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT, SERVICE
AWARD, AND ATTORNEY'S FEES AND
COSTS**

DATE: INSERT
TIME: INSERT
DEPT: 21

Action Filed: January 30, 2024
Trial Date: Not Set

1 The Motion of Plaintiff Michael Castro (“Plaintiff”) for Final Approval of Class Action and
2 PAGA Settlement, Plaintiff’s Service Award, and Attorneys’ Fees and Costs (“Final Approval
3 Motion”) came on regularly for hearing before this Court pursuant to California Rule of Court 3.769
4 and this Court’s earlier Order Granting Preliminary Approval of Class Action and PAGA
5 Settlement (“Preliminary Approval Order”). Having considered the Parties’ Stipulation and
6 Settlement of Class and PAGA Claims (“Settlement” or “Agreement”), and the documents and
7 evidence presented in support thereof, and recognizing the sharply disputed factual and legal issues
8 involved in this case, the risks of further prosecution, and the substantial benefits to be received by
9 the Class pursuant to the Settlement, the Court hereby makes a final ruling that the Settlement is
10 fair, reasonable, and adequate pursuant to California Code of Civil Procedure § 382, and is the
11 product of good faith, arm’s-length negotiations between the parties. Good cause appearing
12 therefor, the Court hereby GRANTS Plaintiff’s Final Approval Motion and hereby ORDERS the
13 following:

14 1. Final judgment is hereby entered in conformity with the Settlement Agreement and
15 this Final Approval Order.

16 2. The conditional class certification is hereby made final, and the Court thus certifies,
17 for purposes of approving this Settlement only, the following Class:

18 All current and former independent contractors who performed work for Brite Nites,
19 Inc. in California during the Class Period of January 30, 2020 through November 13,
20 2025.

21 3. The Court hereby confirms Plaintiff as the Class Representative; William C. Sung
22 and Tiffany L. Luu of Justice for Workers, P.C. as Class Counsel; and Apex Class Action LLC as
23 the Settlement Administrator.

24 4. Notice was provided to Class Members as set forth in the Settlement, which was
25 approved by the Court on INSERT, and the notice process has been completed in conformity with
26 the Settlement and the Court's Preliminary Approval Order. The Court finds that said notice was the
27 best notice practicable under the circumstances, and that individual notice was provided to all Class
28 Members who could be identified through reasonable effort. The Class Notice provided due and

1 adequate notice of the proceedings and matters set forth therein.

2 5. The Court finds that no Class Member objected to the Settlement, that no Class
3 Member opted out of the Settlement, and that the 100% participation rate in the Settlement supports
4 final approval [REVISE AS NEEDED].

5 6. The Court further finds that the Settlement is fair, reasonable, and adequate, and
6 orders the Parties to effectuate the Settlement according to its terms.

7 7. For purposes of settlement only, the Court finds that: (a) the Class Members are
8 ascertainable and so numerous that joinder of all members is impracticable; (b) there are questions
9 of law or fact common to the Class, and there is a well-defined community of interest among
10 members of the Class with respect to the subject matter of the litigation; (c) the claims of the Class
11 Representative are typical of the claims of the Settlement Class members; (d) the Class
12 Representative has fairly and adequately protected the interests of the Class; (e) a class action is
13 superior to other available methods for an efficient adjudication of this controversy; and (f) Class
14 Counsel are qualified to serve as counsel for the Class Representative and the Class.

15 8. The Court finds that given the absence of objections to the Settlement, this Order
16 shall be considered final as of the date of entry.

17 9. The Court finds that the Individual Class Payments and Individual PAGA Payments,
18 as provided for in the Settlement, are fair, reasonable, and adequate, and orders the Administrator to
19 distribute the Individual Settlement Awards and Individual PAGA Payments in conformity with the
20 terms of the Settlement.

21 10. The Court orders Defendant to fund or complete funding of the Settlement Fund and
22 deposit employer payroll taxes in accordance with the funding schedule as set forth in the
23 Agreement.

24 11. The Court finds that a Service Award in the amount of \$7,500.00 to the Plaintiff is
25 appropriate for Plaintiff's service to the Class. The Court finds that this payment is fair, reasonable,
26 and adequate, and orders that the Administrator make this payment in conformity with the terms of
27 the Settlement.

1 12. The Court finds that attorney’s fees in the amount of \$100,000.00 and litigation costs
2 of \$20,000.00 for Class Counsel are fair, reasonable, and adequate in light of the common fund
3 created by the Settlement, and orders that the Administrator distribute these payments to Class
4 Counsel in conformity with the terms of the Settlement.

5 13. The Court orders that the Settlement Administrator shall be paid \$8,690.00 from the
6 Settlement Fund in conformity with the terms of the Settlement, for all of its work done and to be
7 done until the completion of this matter and finds that sum appropriate.

8 14. The Court finds that the payment to the California Labor & Workforce Development
9 Agency (“LWDA”) in the amount of \$11,250.00 for its share of the settlement of Plaintiff’s
10 representative claim under the PAGA is fair, reasonable, and adequate, and orders the Administrator
11 to distribute this payment to the LWDA in conformity with the terms of the Settlement.

12 15. The Court orders that any settlement checks shall be negotiable for 120 calendar
13 days from the date of issuance of the check, and that any settlement checks that remain uncashed
14 after 120 days after they are mailed shall be distributed to Legal Aid Foundation of Los Angeles as
15 the Cy Pres Recipient consistent with Code of Civil Procedure Section 384, subd. (b).

16 16. “Released Parties” means Defendant and each of its past or present officers,
17 directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors,
18 consultants, insurers and reinsurers, and its respective successors and predecessors in interest,
19 subsidiaries, affiliates, parents, and attorneys, and each of its company-sponsored employee benefit
20 plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees,
21 and agents.

22 17. Upon the funding of the entire Settlement Fund and employer payroll taxes, all
23 Participating Class Members release Defendant and the Released Parties from the “Released Class
24 Claims” arising during the Class Period. “Released Class Claims” means all claims alleged in
25 Named Plaintiff’s Operative Complaint in the Action, or that could have been alleged based upon
26 the facts pleaded in the Operative Complaint, under any theory of law, including but not limited to
27 all claims for alleged violations of the Labor Code and/or Wage Orders, including but not limited to
28 unpaid minimum wage, straight time, or overtime wages (including on an off-the-clock, rounding,

1 calculation of regular rates, sick time, vacation pay, or other theory); timing of payment (both
2 during or at the end of employment); meal and rest period claims (including claims regarding how
3 any meal or rest period penalties were calculated); unpaid expense reimbursements; record-keeping
4 violations; and any and all associated statutory penalties and damages (including but not limited to
5 pay stub penalties, waiting time penalties, any other statutory penalties arising under the California
6 Labor Code, and liquidated damages for the Class Period). Class Members may not sue or
7 otherwise make a claim against any of the Released Parties for the Released Claims. This release
8 shall have full res judicata effect as to FLSA claims for all Participating Class Members if the
9 Participating Class Member endorses and cashes his or her settlement check. The Released Class
10 Claims expressly do not include claims for unemployment compensation, workers' compensation,
11 discrimination, or retaliation.

12 18. Upon the funding of the entire Settlement Fund and employer payroll taxes, Named
13 Plaintiff, as proxy and agent on behalf of the LWDA, release Defendant and each of its past or
14 present officers, directors, shareholders, employees, agents, principals, heirs, representatives,
15 accountants, auditors, consultants, insurers and reinsurers, and its respective successors and
16 predecessors in interest, subsidiaries, affiliates, parents, and attorneys, and each of its company-
17 sponsored employee benefit plans and all of their respective officers, directors, employees,
18 administrators, fiduciaries, trustees, and agents (the "Released Parties") from the "Released PAGA
19 Claims" arising during the PAGA Period (i.e., January 29, 2023 through November 13, 2025).
20 "Released PAGA Claims" means all claims for civil penalties under the PAGA alleged in Named
21 Plaintiff's letter to the LWDA and Defendant dated January 29, 2024 alleging violations of the
22 PAGA (the "LWDA Notice"), or that could have been alleged based upon the facts pleaded in the
23 LWDA Notice, under any theory of law, including but not limited to all claims for alleged
24 violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum
25 wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of
26 regular rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end
27 of employment); meal and rest period claims (including claims regarding how any meal or rest
28 period penalties were calculated); unpaid expense reimbursements; record-keeping violations; and

1 any and all associated civil penalties arising under the California Labor Code..

2 19. In accordance with California Rule of Court 3.771(b), the Parties are ordered to give
3 notice of this final Judgment and Order to all Participating Class Members by mail along with their
4 Individual Class Payments and to the LWDA pursuant to Labor Code § 2699.

5 20. This document shall constitute a final judgment pursuant to California Rule of Court
6 3.769(h), which provides: “If the court approves the settlement agreement after the final approval
7 hearing, the court must make and enter judgment. The judgment must include a provision for the
8 retention of the court's jurisdiction over the parties to enforce the terms of the judgment. The court
9 may not enter an order dismissing the action at the same time as, or after, entry of judgment.”

10 Pursuant to California Code of Civil Procedure § 664.6, the Court retains jurisdiction to enforce the
11 Settlement, the Final Approval Order, and this Judgment.

12 21. The Court sets a Non-Appearance Compliance Hearing for _____ at
13 ____ a.m. in Department of the above-entitled Court. Plaintiff shall file a Final Disbursement
14 Declaration from the Administrator no later than 7 calendar days before the Compliance Hearing.

15 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

16
17 DATED: _____

18 Hon. S. Raj Chatterjee
19 Judge of the Superior Court
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EXHIBIT B

1 **SHEPPARD, MULLIN, RICHTER & HAMPTON LLP**

2 A Limited Liability Partnership
3 Including Professional Corporations
4 SAMANTHA D. HARDY, Cal Bar No. 199125
5 CARINA L. NOVELL, Cal Bar No. 329560
6 BERNICE E. DIAZ, Cal Bar No, 329246
7 501 West Broadway, 18th Floor
8 San Diego, California 92101-3598
9 Telephone: 619.338.6500
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11 Email: shardy@sheppardmullin.com
12 cnovell@sheppardmullin.com
13 bdiaz@sheppardmullin.com

14 Attorneys for Defendant
15 BRITE NITES, INC.

16 **Justice for Workers, P.C.**

17 William C. Sung, Esq.
18 william@justiceforworkers.com
19 Tiffany L. Lu, Esq.
20 tluu@justiceforworkers.com
21 3600 Wilshire Blvd, Suite 1815
22 Los Angeles, CA 90010
23 Tel.: (323) 922-2000
24 Fax: (323) 922-2000

25 Attorneys for Plaintiff
26 MICHAEL CASTRO

27 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

28 **COUNTY OF ALAMEDA**

29 MICHAEL CASTRO, an individual and on
30 behalf of all others similarly situated,

31 Plaintiff,

32 v.

33 BRITE NITES, INC., an Utah corporation;
34 and DOES 1 through 50, inclusive,

35 Defendants.

Case No. 24CV061873

**AMENDED STIPULATION AND
SETTLEMENT OF CLASS AND PAGA
CLAIMS**

Assigned for All Purposes to:
Hon. S. Raj Chatterjee~~Noel Wise~~
Dept.: 21

Complaint Filed: January 30, 2024
Trial Date: Not Yet Set

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1 I. Definitions. The following terms and definitions will be used in this Stipulation
2 and Settlement of Class Claims. Additional terms are defined throughout the document as well.

3
4 A. “Named Plaintiff” means Plaintiff Michael Castro.

5
6 B. “Defendant” means Brite Nites, Inc.

7
8 C. “Class Members” shall be defined as all current and former independent
9 contractors who performed work for Brite Nites, Inc. in California during the Class Period.
10 “Aggrieved Employees” shall be defined as all current and former independent contractors who
11 performed work for Brite Nites, Inc. in California during the PAGA Period.

12
13 D. “Parties” means Named Plaintiff and Defendant, collectively, as defined
14 above.

15
16 E. “Plaintiffs’ Counsel” or “Class Counsel” means William C. Sung and
17 Tiffany L. Lu of Justice for Workers, P.C.

18
19 F. “Action” or “Class Action” means the lawsuit filed in Alameda County
20 Superior Court, entitled *Michael Castro v. Brite Nites, Inc.*, Case No. 24CV061873.

21
22 G. “Operative Complaint” means the First Amended Complaint filed by
23 Named Plaintiff in the Action (“FAC”).

24 H. “Participating Class Members” means all Class Members who do not elect
25 to exclude themselves by following steps set forth in Section ~~X.F.5.b~~X.E.5.b below.

1 I. “Class Period” means the time period beginning on January 30, 2020, and
2 ending on the date preliminary approval of the Settlement is granted or November 13, 2025,
3 whichever date is earlier.

4
5 J. “PAGA Period” means the time period beginning one year prior to Plaintiff
6 submitting his LWDA letter (*i.e.*, January 29, 2023) through and including the date preliminary
7 approval of the Settlement is granted or November 13, 2025, whichever date is earlier.

8
9 K. “Unlocated Class Member” means any Class Member whose Notice has
10 been returned as undeliverable after all of the procedures in Section ~~X.F.4.c~~X.F.4.e have been
11 followed. Unlocated Class Members will not be sent individual settlement awards, but will
12 remain Class Members.

13
14 L. “Effective Date” means the date by which this settlement is finally
15 approved as provided herein and the Court’s Final Judgment (“Final Judgment or “Judgment”)
16 becomes final. For purposes of this Section, the Court’s Final Judgment becomes final upon the
17 latter of: (i) if no appeal is filed, the expiration date and time for the filing or noticing of any
18 appeal from the Court’s judgment [the earlier of 60 days from the date a Notice of Entry of
19 Judgment or a file-stamped copy of the Final Judgment and Order (substantially in the form
20 attached hereto as **Exhibit 3**) is served on counsel]; (ii) if an appeal is filed, the date of affirmance
21 of an appeal of the judgment becomes final under the California Rules of Court [30 days after the
22 date a court of appeal’s decision is filed unless the court of appeal (1) grants a petition for
23 rehearing which by rule vacates the decision and sets the case “at large in the Court of Appeal,” or
24 (2) certifies its opinion for publication or partial publication after filing its decision, which resets
25 the finality period from the filing date of the order for publication]; (iii) if an appeal is filed, the
26 expiration of the time for a petition for review of the Final Judgment or of any court of appeal
27 decision relating to the Final Judgment [10 days after the Court of Appeal’s decision is final], and,
28 if review is granted, the date of final affirmance of the Final Judgment following review pursuant

1 to that grant; or (iv) if an appeal is filed, the date of final dismissal of any appeal from the
2 Judgment or the final dismissal of any proceeding on review of any court of appeal decision
3 relating to the Judgment.

4
5 II. Settlement Agreement. This Stipulation and Settlement of Class Claims
6 (“Settlement,” “Stipulation,” or “Agreement”) is made between the Named Plaintiff on behalf of
7 himself and each of the other Class Members on the one hand, and the Defendant, on the other
8 hand, in the Action and subject to approval of the Court. In the event the Settlement does not
9 become effective by the terms of this Stipulation or for any other reason, any Orders entered
10 pursuant to this Stipulation shall be rendered null and void, and shall be vacated, and the Parties
11 shall revert to their respective positions existing immediately on the date before the mediation on
12 August 15, 2025.

13
14 III. Procedural History. Named Plaintiff filed his lawsuit in Alameda County Superior
15 Court on January 30, 2024, against Defendant, alleging the following causes of action: (1)
16 minimum wage violations (Labor Code §§ 1182.12, 1194, 1194.2, 1197); (2) overtime wage
17 violations (Labor Code §§ 204, 510, 1194, 1198); (3) meal period violations (Labor Code §§
18 226.7, 512, 558); (4) rest period violations (Labor Code §§ 226.7, 516, 558); (5) wage statement
19 penalties (Labor Code § 226); (6) waiting time penalties (Labor Code §§ 201-203); (7) failure to
20 reimburse necessary business expenses (Labor Code § 2802); (8) unfair competition (Bus. & Prof.
21 Code §§ 17200 *et seq.*). On May 21, 2024, Named Plaintiff filed the Operative Complaint, adding
22 a cause of action for violation of the Private Attorneys General Act of 2004 (“PAGA”) against
23 Defendant. On August 15, 2025, the Parties mediated the case before Joann Rezzo via Zoom,
24 which resulted in resolving the matter and the execution of this Agreement.

25
26 IV. Investigation in the Class Action. The Parties have conducted an extensive
27 investigation of the facts and the law, including, *inter alia*, the exchange of documents and
28 information through informal and formal discovery. Further, the Parties held numerous meetings

1 and informal conferences wherein they exchanged information, theories of the case, and class data.
2 Specifically, Defendant provided Named Plaintiff with the payment and time records of all
3 putative class members. Defendant also provided Named Plaintiff with additional key data points
4 per Named Plaintiff's requests. Counsel for the Parties further investigated the applicable law as
5 applied to the facts discovered regarding the alleged claims of Class Members and potential
6 defenses thereto, *i.e.*, Defendant's contentions that it properly provided meal and rest periods,
7 properly paid for all time worked, reimbursed for all expenses, and the damages claimed by Class
8 Members.

9
10 V. Named Plaintiff's Claims. Named Plaintiff has claimed and continues to claim that
11 the Released Claims, as defined in Section X.B below, have merit and give rise to liability on the
12 part of Defendant. Neither this Agreement, the documents referred to or contemplated herein, nor
13 any action taken to carry out this Agreement is, or may be construed or used as, an admission,
14 concession, or indication by or against Named Plaintiff or Class Counsel as to the merits or lack
15 thereof of the Claims asserted.

16
17 VI. Defendant's Denial of Wrongdoing. Defendant has denied and continue to deny
18 each of the Claims and contentions alleged by Named Plaintiff in the Action. Defendant has
19 repeatedly asserted and continue to assert defenses thereto, and has expressly denied and continue
20 to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the
21 Action. Defendant also has denied and continue to deny, *inter alia*, the allegations that Class
22 Members have suffered damages; that Defendant violated the California Labor Code or any other
23 provision of law; that Defendant engaged in any other wrongful conduct as alleged in the Action;
24 or that Class Members were harmed by the conduct alleged in the Action. Neither this Agreement,
25 nor any document referred to or contemplated herein, nor any action taken to carry out this
26 Agreement, is, may be construed as, or may be used as an admission, concession, or indication by
27 or against Defendant of any fault, wrongdoing or liability whatsoever.

1 VII. Named Plaintiff's Reasons for Settlement. Named Plaintiff recognizes the expense
2 and length of continued proceedings necessary to continue the litigation against Defendant through
3 trial and through any possible appeals. Named Plaintiff has also taken into account the uncertainty
4 and risk of the outcome of further litigation, and the difficulties and delays inherent in such
5 litigation. Named Plaintiff is also aware of the burdens of proof necessary to establish liability for
6 the claims asserted in the Action (the "Claims" or "Class Action Claims"), Defendant's defenses
7 thereto, and the difficulties in establishing damages for Class Members. Named Plaintiff has also
8 taken into account the discovery undertaken and settlement negotiations conducted, which
9 negotiations resulted in the material settlement terms entered into on August 15, 2025. Based on
10 the foregoing, Named Plaintiff has determined that the Settlement set forth in this Agreement is a
11 fair, adequate, and reasonable settlement, and is in the best interests of Class Members.

12
13 VIII. Defendant's Reasons for Settlement. Defendant has concluded that any further
14 defense of this litigation would be protracted and expensive for all Parties. Substantial amounts of
15 time, energy, and resources of Defendant has been and, unless this Settlement is made, will
16 continue to be, devoted to the defense of the claims asserted by Class Members. For these
17 reasons, Defendant has agreed to settle in the manner and upon the terms set forth in this
18 Agreement to put to rest the Claims as set forth in the Action.

19
20 IX. This Settlement is Fair, Adequate, and Reasonable. The Parties believe this
21 Settlement is a fair, adequate, and reasonable settlement of the Action, and have arrived at this
22 Settlement after arms-length negotiations taking into account all relevant factors, present and
23 potential. This Settlement was reached after extensive negotiations with experienced mediator
24 Joann Rezzo.

25
26 X. Stipulation. NOW, THEREFORE, IT IS HEREBY STIPULATED, by and among
27 Named Plaintiff on one hand and Defendant on the other hand, and conditioned upon approval by
28

1 the Court, that the Class Action is hereby compromised and settled pursuant to the terms and
2 conditions set forth in this Agreement.

3
4 A. Class Certification. For purposes of this Stipulation only, the Parties agree
5 to the certification of the Settlement Class and to include all current and former independent
6 contractors who performed work for Defendant in California during the Class Period. Should for
7 whatever reason the Stipulation not become final, the fact that the Parties were willing to stipulate
8 to class certification as part of the Settlement shall have no bearing on, and shall not be admissible
9 in connection with, the issue of whether a class should be certified in a non-settlement context in
10 the Action, and shall have no bearing on, and shall not be admissible in connection with, the issue
11 of whether a class should be certified in any other lawsuit.

12
13 B. Release as to All Participating Class Members and Aggrieved
14 Employees the LWDA. The release set forth in this Section pertains to Participating Class
15 Members and Aggrieved Employees. As set forth in Section I.H above, Participating Class
16 Members are “all Class Members who do not elect to exclude themselves by following the steps
17 set forth in Section ~~X.F.5.1~~X.F.5.b below.” As of the date that Defendant makes Funding
18 Payments One to Three and the employer’s share of payroll taxes, as described below, the
19 Participating Class Members, including Named Plaintiff, release Defendant and each of its past or
20 present officers, directors, shareholders, employees, agents, principals, heirs,
21 representatives, accountants, auditors, consultants, insurers and reinsurers, and its
22 respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys,
23 and each of its company-sponsored employee benefit plans and all of their respective officers,
24 directors, employees, administrators, fiduciaries, trustees, and agents (the “Released Parties”) from
25 the “Released Class Claims” arising during the Class Period. For the purposes of this Agreement,
26 “Released Class Claims” means all claims alleged in Named Plaintiff’s Operative Complaint in
27 the Action, or that could have been alleged based upon the facts pleaded in the Operative
28 Complaint, under any theory of law, including but not limited to all claims for alleged violations

1 of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage,
2 straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular
3 rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end of
4 employment); meal and rest period claims (including claims regarding how any meal or rest period
5 penalties were calculated); unpaid expense reimbursements; record-keeping violations; and any
6 and all associated statutory penalties and damages (including but not limited to pay stub penalties,
7 waiting time penalties, any other statutory penalties arising under the California Labor Code, and
8 liquidated damages for the Class Period). The Class Members may not sue or otherwise make a
9 claim against any of the Released Parties for the Released Claims.

10 The Parties agree that this release shall have full res judicata effect as to FLSA
11 claims for all Participating Class Members as described in *Rangel v. PLS Check Cashers of*
12 *California, Inc.*, 899 F.3d 1106 (9th Cir. 2018), if the Participating Class Member endorses and
13 cashes his or her settlement check. The Released Class Claims expressly do not include claims for
14 unemployment compensation, workers' compensation, discrimination, or retaliation.

15 As of the date that Defendant makes Funding Payments One to Three and the
16 employer's share of payroll taxes, as described below, ~~the Aggrieved Employees, including~~
17 Named Plaintiff, as proxy and agent on behalf of the LWDA, releases Defendant and each of its
18 past or present officers, directors, shareholders, employees, agents, principals, heirs,
19 representatives, accountants, auditors, consultants, insurers and reinsurers, and its
20 respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys,
21 and each of its company-sponsored employee benefit plans and all of their respective officers,
22 directors, employees, administrators, fiduciaries, trustees, and agents (the "Released Parties") from
23 the "Released PAGA Claims" arising during the PAGA Period. For the purposes of this
24 Agreement, "Released PAGA Claims" means all claims for civil penalties under the PAGA
25 alleged in Named Plaintiff's letter to the LWDA and Defendant dated January 29, 2024 alleging
26 violations of the PAGA (the "LWDA Notice") ~~and Named Plaintiff's Operative Complaint in the~~
27 Action, or that could have been alleged based upon the facts pleaded in the LWDA Notice ~~and~~
28 Operative Complaint, under any theory of law, including but not limited to all claims for alleged

1 violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum
2 wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of
3 regular rates, sick time, vacation pay, or other theory); timing of payment (both during or at the
4 end of employment); meal and rest period claims (including claims regarding how any meal or rest
5 period penalties were calculated); unpaid expense reimbursements; record-keeping violations; and
6 any and all associated civil penalties arising under the California Labor Code.

7
8 C. General Release by Named Plaintiff Only. Named Plaintiff, as of the date
9 that Defendant makes Funding Payments One to Three and the employer's share of payroll taxes,
10 as described below, makes the additional following general release of all claims, known or
11 unknown. Named Plaintiff fully releases and discharges the Released Parties from all claims,
12 demands, rights, liabilities, and causes of action of every nature and description whatsoever,
13 known or unknown, asserted or that might have been asserted, whether in tort, contract, or for
14 violation of any state or federal statute, rule, or regulation arising out of, relating to, or in
15 connection with any act or omission by or on the part of any of the Released Parties committed or
16 omitted prior to the execution hereof relating to his employment with or resignation from any of
17 the Released Parties. This includes any unknown claims Named Plaintiff does not know or
18 suspect to exist in his favor, which, if known by him, may have affected his settlement with, and
19 release of, the Released Parties or might have affected his decision not to object to the settlement.

20 With respect to the General Release, Named Plaintiff stipulates and agrees that, as
21 of the date that Defendant makes Funding Payments One to Three and the employer's share of
22 payroll taxes, as described below, Named Plaintiff shall be deemed to have, and by operation of
23 the Final Judgment shall have, expressly waived and relinquished, to the fullest extent permitted
24 by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, or any
25 other similar provision under federal or state law, which provides:

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

1 Named Plaintiff may hereafter discover facts in addition to or different from those
2 he now knows or believes to be true with respect to the subject matter of the General Release, but
3 as of the Date that Defendant makes Funding Payments One to Three and the employer's share of
4 payroll taxes, as described below, shall be deemed to have, and by operation of the Final Judgment
5 shall have, fully, finally, and forever settled and released any and all of the claims released
6 pursuant to the General Release, whether known or unknown, suspected or unsuspected,
7 contingent or non-contingent, which now exist, or heretofore have existed upon any theory of law
8 or equity now existing or coming into existence in the future, including but not limited to conduct
9 that is negligent, intentional, with or without malice, or a breach of any duty, law, or rule, without
10 regard to the subsequent discovery or existence of such different or additional facts. Named
11 Plaintiff will no longer be an aggrieved employee for purposes of PAGA once the Settlement is
12 approved and Defendant completes its duties under the Settlement Agreement. Named Plaintiff
13 will refrain from filing any litigation against Defendant while the Settlement is pending.

14
15 D. Neutral Reference. Defendant will only provide dates of employment and
16 job title in response to any inquiries it may receive from prospective employers on behalf of
17 Named Plaintiff. Prospective employers must call (385) 900-1020. The only information that will
18 be provided will be Named Plaintiff's job titles and dates of employment.

19
20 E. Settlement Fund. Defendant will create a non-reversionary Settlement Fund
21 in the amount of Three Hundred Thousand Dollars and Zero Cents (\$300,000.00) ("Settlement
22 Fund") plus the employer's share of payroll taxes due on the Settlement Checks that are cashed by
23 Participating Class Members. Defendant shall fully fund the Settlement Fund by making annual
24 payments into an escrow account administered by the Settlement Administrator. Defendant shall
25 make three annual contributions of \$100,000.00 into the escrow account based on the following
26 schedule: on or before January 31, 2026 ("Funding Payment One"); on or before January 31, 2027
27 ("Funding Payment Two"); and on or before January 31, 2028 ("Funding Payment Three").
28 Defendant shall also fund the amounts necessary to fully pay Defendant's share of payroll taxes by

1 transmitting the funds to the Administrator no later than ~~15 days after the Effective Date for the~~
2 ~~first settlement disbursement and on or before January 31, 2027, for the second settlement~~
3 ~~disbursement~~ January 31, 2027 so that all Individual Settlement Awards can be distributed in the
4 first settlement distribution. The Settlement Administrator shall refund the amounts representing
5 payroll taxes on checks that are not cashed by Participating Class Members. If the Court does not
6 approve the Settlement and enter final judgment, the Settlement Administrator shall refund
7 payments made by Defendant into the escrow account less its expenses in administering the
8 Settlement. The Settlement Fund will be allocated among these elements:

9 (a) payments to Participating Class Members of the Individual Settlement Awards less
10 deductions as explained in Section ~~X.E.2~~ X.E.2;

11 (b) a total amount not to exceed Seven Thousand Five Hundred Dollars and No Cents
12 (\$7,500.00) to be paid to the Named Plaintiff as a Service Award, subject to Court
13 approval;

14 (c) reasonable settlement administration expenses, in an amount not to exceed Eight
15 Thousand Six Hundred Ninety Dollars and No Cents (\$8,690.00), subject to Court
16 approval, to be paid to the Settlement Administrator to cover the reasonable costs of the
17 Settlement Administration process;

18 (d) Class Counsel's attorneys' fees not to exceed one-third (1/3) of the Settlement Fund,
19 or a maximum of One Hundred Thousand Dollars and No Cents (\$100,000.00) subject to
20 Court approval;

21 (e) Class Counsel's litigation costs not to exceed the amount of Twenty Thousand Dollars
22 and No Cents (\$20,000.00) subject to their billing statements and Court approval; and

23 (f) Fifteen Thousand Dollars and No Cents (\$15,000.00) allocated for penalties recoverable
24 under PAGA and payable to the Labor and Workforce Development Agency ("LWDA"),
25 75% of which, or \$11,250.00, will be paid to the LWDA, and 25% of which, or \$3,750.00,
26 will be paid to Aggrieved Employees as Individual PAGA Awards.

27 Any amounts allocated to Named Plaintiff's Service Award, Settlement
28 Administration costs, Attorneys' Fees and Litigation Costs, and PAGA penalties not awarded by

1 the Court shall be added to Individual Settlement Awards and paid to Participating Class
2 Members. Any amounts earmarked for Unlocated Class Members shall be transmitted to a Court-
3 approved nonprofit organization or foundation consistent with Code of Civil Procedure Section
4 384, subd. (b) (“Cy Pres Recipient”). The Parties designate Legal Aid Foundation of Los
5 Angeles as the Cy Pres Recipient.

6 The amount that remains after the Service Award, Settlement Administration
7 expenses, Attorneys’ Fees and Costs, PAGA penalties, and any unawarded portions of those
8 components have been deducted from the Settlement Fund shall be called the “Payout Fund.”

9
10 1. Fees and Costs Award and Service Award. The Parties agree to the
11 designation of William C. Sung and Tiffany L. Lu of Justice for Workers, P.C. as “Class
12 Counsel.” Class Counsel will request that the Court approve an award of attorneys’ fees of up
13 One Hundred Thousand Dollars and No Cents (\$100,000.00), subject to Court approval (“Fees
14 Award”). This constitutes one-third (1/3) of the value of the Settlement Fund. Class Counsel will
15 also request a Costs Award not to exceed Twenty Thousand Dollars and No Cents (\$20,000.00).
16 Defendant will not oppose these requests. Class Counsel shall not be permitted to petition the
17 Court for, or accept, any additional payments for fees, costs, or interest, and the Fees Award and
18 Costs Award shall be for all claims for attorneys’ fees and costs, past, present, and future, incurred
19 in the Action.

20 Defendant’s payment of the Fees Award and Costs Award to Class Counsel shall
21 constitute full satisfaction of the obligation to pay any amounts to any person, attorney, or law
22 firm for attorneys’ fees, expenses, or costs in the Action incurred by any attorney on behalf of
23 Named Plaintiff and/or the Class. Further, said payment shall relieve Defendant, the Settlement
24 Administrator, the Settlement Fund, and Defendant’s Counsel of any other claims or liability to
25 any other attorney or law firm for any attorneys’ fees, expenses, and/or costs to which any of them
26 may claim to be entitled on behalf of Named Plaintiff and/or the Class.

27 Class Counsel will request that the Court approve a Service Award in a total
28 amount not to exceed Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) to be paid

1 to Named Plaintiff as a Service Award and to be paid out of and deducted from the Settlement
2 Fund. Defendant will not oppose such request. Named Plaintiff's Service Award will be
3 designated as 100% 1099-MISC income. Named Plaintiff will indemnify Defendant for any tax
4 penalties due or payable by Named Plaintiff. Named Plaintiff will receive a 1099 form relating to
5 the Service Award. This award shall be in addition to the amount the Named Plaintiff may receive
6 as a Participating Class Member and Aggrieved Employee.

7 The Fees Award, Costs Award, and Service Award shall be paid by Defendant by
8 and through the Settlement Administrator from the Settlement Fund to Class Counsel based on
9 two distributions as discussed in detail below.

10
11 2. Plan of Allocation for Payment to Participating Class Members and
12 Aggrieved Employees. Defendant shall pay, by and through the Settlement Administrator from
13 the Payout Fund, the Individual Settlement Awards to the Participating Class Members and
14 Individual PAGA Awards to the Aggrieved Employees based on two distributions as discussed in
15 detail below in the section entitled "Procedure for Payment of Settlement Awards Through Two
16 Distributions" and in accordance with the following eligibility and settlement formula
17 requirements.

18 a. Excluded from becoming a Participating Class Member are
19 those Class Members who submit valid and timely requests for exclusion pursuant to the terms
20 and procedures of the Notice of Class Action Settlement (attached as **Exhibit 1** hereto). Because
21 future PAGA claims are subject to claim preclusion upon entry of the judgment, Aggrieved
22 Employees remain eligible for an Individual PAGA Award and are deemed to release Released
23 PAGA Claims regardless of whether they submit valid and timely requests for exclusion.

24 b. Any Class Member who does not timely request exclusion
25 shall become a Participating Class Member and will receive an Individual Settlement Award. The
26 Individual Settlement Awards to be allocated to each Participating Class Member shall be
27 calculated as follows:

28

1 (1) After deducting the amount of the Fees Award, the
2 Costs Award, the Service Award, PAGA penalties to the LWDA and Aggrieved Employees, and
3 settlement administration expenses that are all finally approved by the Court, the remaining
4 Payout Fund will be allocated to the Participating Class Members;

5 (2) To arrive at these amounts, the Payout Fund will be
6 distributed on a pro-rata basis to Participating Class Members on a per-workweek basis.
7 Participating Class Members will receive their pro-rata share based on how many workweeks they
8 worked during the Class Period as compared to all workweeks worked by all Participating Class
9 Members during the Class Period ("Workweek Totals"). The number of workweeks for each
10 Class Member will be determined by adding the number of weeks wherein each Class Member
11 received payment from Defendant. Any partial workweek will be expressed as a percentage of a
12 full workweek. This shall be considered each Class Member's "Workweek Figure." Participating
13 Class Members' Gross Settlement Amounts will be calculated by dividing the Payout Fund by the
14 total of all Class Members' Workweek Figures to arrive at a Per-Workweek Amount, and then
15 multiplying this amount by each Participating Class Member's Workweek Figure.

16 c. Ten percent (10%) of all Individual Settlement Awards to
17 Participating Class Members will be called the "Gross Wage Portion." The remaining Ninety
18 percent (90%) of payments to Participating Class Members represents the "Non-Wage Portion" of
19 the Individual Settlement Award and includes interest and statutory penalties sought in the Action.
20 Participating Class Members will be issued W2s for the Wage Portions of their Individual
21 Settlement Payment and IRS Form 1099s for the Non-Wage Portions. The resulting amount will
22 be each individual Participating Class Member's "Gross Wage Component." From each
23 Participating Class Member's Gross Wage Component, payroll deductions will be made for state
24 and federal withholding taxes and any payroll taxes owed by the Participating Class Member and
25 the Defendant as a result of the payment, resulting in a "Net Wage Component." The total of the
26 Net Wage Component and the Non-Wage Portion shall be the Participating Class Member's "Net
27 Settlement Amount." The Net Settlement Amount will be the net amount paid to each
28

1 Participating Class Member and is the Participating Class Member's "Individual Settlement
2 Award."

3 d. The Settlement Administrator shall be responsible for issuing
4 the payments and calculating and withholding all required state and federal taxes owed by the
5 Participating Class Members and Defendant. The Settlement Administrator shall calculate the
6 Settlement Awards no later than seven (7) calendar days after receiving the Workweek Totals for
7 each Class Member (i.e., the "Class List and Data Report" defined below) from Defendant.

8 e. The Settlement Administrator will calculate each Individual
9 PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA
10 penalties (\$3,570.00) by the total number of workweeks worked by all Aggrieved Employees
11 during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's workweeks
12 worked during the PAGA Period. The Individual PAGA Payment will be classified as 100% 1099
13 payments.

14 f. Some of the Individual Settlement Awards and Individual
15 PAGA Awards may remain unclaimed because a Class Member and/or Aggrieved Employee (1)
16 was an Unlocated Class Member, (2) submitted a valid and timely request for exclusion, and/or (3)
17 failed to cash their Individual Settlement Award and/or Individual PAGA Award checks within
18 one hundred twenty (120) days of its issuance, as allowed by Court order. Funds associated with
19 these unclaimed amounts shall be deducted from the Payout Fund and transmitted to the Cy Pres
20 Recipient.

21
22 3. Operation of the Settlement Fund and Payout Fund.
23

24 a. Except as provided herein, at no time shall Defendant have
25 the obligation to segregate the funds comprising the Settlement Fund from their other assets, and
26 Defendant will retain exclusive authority over, and responsibility for, those funds until they are
27 paid over to the Settlement Administrator.
28

1 b. The Settlement Administrator will calculate the net amounts
2 to be paid to the Participating Class Members and Aggrieved Employees from the Settlement
3 Fund in accordance with the terms and provisions of this Agreement.

4 c. The Settlement Administrator shall have the authority and
5 obligation to make payments, credits, and disbursements, including payments and credits in the
6 manner set forth herein, to Participating Class Members and Aggrieved Employees from the
7 Settlement Fund in accordance with the methodology set out in this Agreement and orders of the
8 Court.

9 d. To the extent any tax returns must be filed for the Settlement
10 Fund pursuant to this Agreement, the Settlement Administrator shall cause to be timely and
11 properly filed all informational and other tax returns, if any, necessary with respect to the
12 Settlement Fund. Such returns shall be consistent with this Section. The Parties do not believe
13 that the Settlement Fund will generate any taxable income. However, if any taxable income is
14 generated by the Settlement Fund, the tax returns filed shall reflect that all taxes payable on the
15 taxable income of the Settlement Fund, if any, shall be paid from the Settlement Fund. Any
16 expenses consisting of the expenses and costs incurred in connection with the operation and
17 implementation of this Section (including, without limitation, reasonable expenses of tax
18 attorneys, accountants, or other designees retained by the Settlement Administrator as required for
19 the preparation and filing of tax returns described in this Section) shall be treated as, and
20 considered to be, a cost of administration of the Settlement.

21 e. No person shall have any claim against Defendant,
22 Defendant's Counsel, Named Plaintiff, Class Members, ~~or Class Counsel~~ based on distributions
23 and payments made in accordance with this Agreement. For the avoidance of doubt, there is no
24 waiver of any claims against the Settlement Administrator based on distributions and payments
25 made in accordance with this Agreement.

26
27 4. Escalator Clause. Defendant estimates the Workweek Totals is
28 1,208 workweeks (i.e., Class Members collectively worked 1,208 workweeks during the Class

1 Period). If the Workweek Totals is 18% higher than 1,208 (i.e., 1,426 workweeks or more), then
2 the Settlement Fund is to be increased proportionally by the workweeks in excess of 18% (1,426
3 workweeks) (the “Escalator Clause”). For example, if the Workweek Totals is 20% higher than
4 1,208, then the Settlement Fund will increase by 2%.

5
6 F. Administration of the Settlement.

7
8 1. A hearing shall be held before the Court on a mutually-convenient
9 date, or on another date and time if that hearing is rescheduled, at which the Named Plaintiff shall
10 request preliminary approval of the Settlement. In conjunction with this hearing, Named Plaintiff
11 will submit this Agreement, which sets forth the terms of this Settlement, and will include
12 proposed forms of all notices and other documents as attached hereto necessary to implement the
13 Settlement. Defendant shall not oppose Named Plaintiff’s request for preliminary approval
14 consistent with this Agreement.

15
16 2. Simultaneous with the filing of this Agreement, and solely for
17 purposes of this Settlement, Named Plaintiff will request the Court to enter the Preliminary
18 Approval Order (“Preliminary Approval Order”) (substantially in the form attached as **Exhibit 2**
19 hereto) preliminarily approving the proposed Settlement, approving the appointment of Class
20 Counsel, and setting a date for final approval of the Settlement. The Proposed Order shall provide
21 for notice of the Settlement and related matters to be sent to Class Members as specified herein.
22 The Parties will request the Court, in its preliminary approval of this Settlement, to enjoin any
23 Class Members from initiating or prosecuting any proceeding on any claim to be released pursuant
24 to this Stipulation unless, and until, either the Class Member opts out of the class, or the Effective
25 Date does not occur (as set forth in Section I.L.L.K., above).

26
27 3. Interim Stay of Proceedings. The Parties agree to hold all Court
28 proceedings in the Action in abeyance pending the Preliminary Settlement Hearing and Final

1 Approval Hearing to be conducted by the Court. No additional discovery shall be conducted in
2 this case unless this Settlement Agreement is nullified in accordance with Section X.G below~~X.G~~
3 ~~below~~.

4
5 4. Notice of the Settlement shall be provided to Class Members using
6 the following procedures:

7 a. Class List. Within fourteen (14) calendar days after
8 Preliminary Approval, Defendant shall provide the Settlement Administrator a “Class List and
9 Data Report” showing the full names; social security numbers, to the extent Defendant is aware of
10 them; last known e-mail addresses and mailing addresses for all Class Members; and their weeks
11 worked within a covered position, as well as applicable Workweek Totals and workweeks worked
12 during the PAGA Period. If Defendant is not in possession of some or all of this information for
13 particular Class Members, Defendant will provide the information that it does have in its
14 possession. The Settlement Administrator shall keep this information confidential and shall not
15 share this information with Class Counsel. Additionally, Class Members and Class Counsel shall
16 not be entitled to the names or contact information for the Class Members. Class Counsel’s
17 contact information will be included on the Class Notice so that Class Members can reach them.

18 b. Settlement Administrator. The Parties agree to designate
19 Apex Class Action LLC as the “Settlement Administrator.” In the event Apex Class Action LLC
20 is subsequently unable to serve as Settlement Administrator, another Settlement Administrator
21 shall be agreed to by the Parties, or, if they cannot reach agreement, will be selected by the Court.
22 The Parties agree that they have selected a Settlement Administrator with whom they have no
23 financial interest or other relationship that could create a conflict of interest. The Settlement
24 Administrator shall be responsible for: managing the escrow account and payments Defendant
25 makes into the Settlement Fund; preparing, printing, and mailing the Notice as directed by the
26 Court to the Class Members; communicating with Class Members and others regarding the
27 Settlement Award administration process, corrections, and/or additional information needed for
28 administration; calculating the Total Workweeks; calculating the amount of the Individual

1 Settlement and PAGA Awards and all payroll tax deductions to be withheld; keeping track of opt
2 outs; drafting and mailing Settlement Award checks to Participating Class Members and
3 Aggrieved Employees; disbursing the Fees Award and Costs Award to Class Counsel; disbursing
4 the Service Awards to Named Class Member; submitting the LWDA's portion of the PAGA
5 payment to the LWDA; preparing, mailing, and filing all applicable tax forms necessary as a result
6 of the payments made under this Settlement; and for such other tasks as the Parties mutually agree
7 or the Court orders the Settlement Administrator to perform. Defendant represent that the Notice
8 will be provided in English and Spanish to the Class.

9 c. Notice Mailing. By no later than fourteen (14) calendar days
10 after receipt of the Class List and Data Report, the Settlement Administrator shall send the Notice
11 to all Class Members via First Class U.S. Mail. Prior to mailing, one National Change of
12 Address ("NCOA") search will be performed on Defendant's records to ascertain updated
13 contact information for all Class Members. Any Notices returned to the Settlement
14 Administrator as non-delivered before the Notice Deadline Date specified below shall be sent to
15 the forwarding address affixed thereto within ten (10) days of receiving notice that a Notice was
16 undeliverable. If no forwarding address is provided, then the Settlement Administrator shall
17 attempt to determine a correct address by using a single computer or other search using the
18 available identifying information and shall forward the Notice to the correct address.

19 d. In the event the procedures in this Section are followed and
20 the intended recipient of a Notice still does not receive the Notice, the intended recipient shall
21 remain a Participating Class Member and shall be bound by all terms of the Settlement and by any
22 Final Judgment entered by the Court, provided the Settlement is approved by the Court. As
23 defined above, these persons shall be included as "Unlocated Class Members."

24 e. The Parties agree that this procedure (i.e., direct notice via
25 U.S. Mail) is the best notice practicable under the circumstances and fully complies with due
26 process and all applicable laws and rules.

5. Procedure for Objecting to or Requesting Exclusion from Class Action Settlement and Challenging the Number of Workweeks.

a. Procedure for Objecting. The Notice shall provide that Participating Class Members who wish to object to the Settlement must submit a written statement objecting to the Settlement. Such written objection must contain the name of the person objecting; whether the objector has retained an attorney; and if the objector has retained an attorney, the name of the firm, name of the attorney, address, and telephone number. Such written statement must be returned by mail or email to the Settlement Administrator and must be postmarked no later than sixty (60) calendar days after the date the Notice is first mailed based on the postmark date of the Notice (the “Objection/Exclusion Deadline Date”). Participating Class Member shall also be entitled to appear at the final Settlement Hearing (whether individually or through separate counsel at their own expense) to object to the Settlement. The date of the postmark on the return mailing envelope or email shall be the exclusive means used to determine whether an objection has been timely submitted. Participating Class Members who fail to submit timely written or oral objections in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement. Further, if the objector retains an attorney, the attorney must file a valid notice of appearance within seven (7) days after the deadline for submitting objections. Any Participating Class Member who submits a timely and valid objection will still be entitled to their Individual Settlement Award as a Participating Class Member and will be bound by the Settlement if the Court approves the Settlement. If a Class Member submits both a timely objection and request for exclusion from the settlement, the objection will not be considered but the request for exclusion will be accepted.

b. Procedure for Requesting Exclusion. The Notice shall provide that Class Members who wish to exclude themselves from the Class must submit a written statement requesting exclusion from the Class on or before the Objection/Exclusion Deadline Date. Such written request for exclusion must contain the name of the person requesting

1 exclusion and a statement that he or she request exclusion from the class and do not wish to
2 participate in the settlement. Such request must be returned by mail or email to the Settlement
3 Administrator and must be postmarked on or before the Objection/Exclusion Deadline Date. The
4 date of the postmark on the return mailing envelope or email shall be the exclusive means used to
5 determine whether a request for exclusion has been timely submitted. Any Class Member who
6 submits a timely and valid request for exclusion from the Class will not be entitled to any recovery
7 of Individual Settlement Awards and will not be bound by the Released Class Claims or have any
8 right to object, appeal, or comment thereon. Class Members who fail to submit a valid and timely
9 request for exclusion on or before the Objection/Exclusion Deadline Date shall become
10 Participating Class Members and shall be bound by all terms of the Settlement and any Final
11 Judgment entered in the Class Action if the Settlement is approved by the Court.

12 c. Challenges to Calculation of Workweeks. Each Class
13 Member shall have, by the Objection/Exclusion Deadline Date, to challenge the number of
14 workweeks during the Class Period and PAGA Period (if any) allocated to the Class Member in
15 the Notice of Class Action Settlement. The Class Member may challenge the allocation by
16 communicating with the Settlement Administrator via email or mail. The Settlement
17 Administrator must encourage the challenging Class Member to submit supporting documentation.
18 In the absence of any contrary documentation, the Settlement Administrator is entitled to presume
19 that the workweeks contained in the Notice of Class Action Settlement are correct so long as they
20 are consistent with the Class List and Data Report. The Settlement Administrator's determination
21 of each Class Member's allocation of workweeks shall be final and not appealable or otherwise
22 susceptible to challenge. The Settlement Administrator shall promptly provide copies of all
23 challenges to calculation of workweeks to Defense Counsel and Class Counsel and the
24 Administrator's determination the challenges.

25
26 6. No Solicitation of Settlement Objections or Exclusions. The Parties
27 agree to use their best efforts to carry out the terms of this Settlement. At no time shall any of the
28 Parties or their counsel seek to solicit or otherwise encourage Class Members to submit written

1 objections to the Settlement or requests for exclusion from the Settlement Class or to appeal from
2 the Court's Final Judgment.

3
4 7. The Settlement Administrator will, on a weekly basis during and for
5 a reasonable period following the Notice Period, provide updates to Class Counsel and Defense
6 Counsel as to the number of Class Members who submitted (i) valid opt-out requests for
7 exclusions; and (ii) objections. To the extent practicable, the weekly updates shall also provide
8 updated data on the number of Class Notices that are returned undeliverable and any re-mailing
9 efforts. The updates shall not identify the Class Members by name, address, or any other
10 information.

11
12 8. The Settlement Administrator will prepare a declaration to be
13 provided to Class Counsel and Defendant's Counsel for filing in support of Class Member's
14 motion for final approval attesting to the following: (i) its mailing efforts regarding the Class
15 Notice; (ii) its receipt of the valid requests for exclusion, and its inability to deliver the Class
16 Notice to Class Members, if any; and (iii) the average, highest and lowest estimated Individual
17 Settlement Awards within 14 calendar days after the Objection/Exclusion Deadline Date.

18
19 9. Option to Terminate Settlement. If, after the Objection/Exclusion
20 Deadline Date, and before the Settlement Hearing referenced in Section X.F.10~~X.F.10~~ below, the
21 number of Class Members who have timely submitted valid requests for exclusion total more than
22 ten percent (10%) of all Class Members, Defendant shall have, in their sole discretion, the option
23 to terminate this Settlement. To be valid, a request for exclusion must be submitted on a timely
24 basis and contain the information required by the Settlement Agreement. Defendant agrees to
25 meet and confer in good faith with Class Counsel before withdrawing from this Agreement. In the
26 event that Defendant elects to withdraw, they shall provide written notice of such withdrawal to
27 Class Counsel. If Defendant chooses to exercise its rights to withdraw from the Settlement
28 Agreement, Defendant must do so within ten (10) days after the Settlement Administrator notifies

1 Class Counsel and Defendant's Counsel of the number of valid opt outs or objections received,
2 which the Settlement Administrator will do within ten (10) days after the Objection/Exclusion
3 Deadline Date. Class Counsel may attempt to cause retraction of any election of exclusion by
4 Class Members. If Defendant has exercised its option to withdraw from the Settlement
5 Agreement, and Class Counsel succeeds in causing the retraction of sufficient requests for
6 exclusion such that the remaining number of Class Members seeking exclusion does not exceed
7 10% of the Class Member Class, then Defendant's notice of withdrawal from the Settlement
8 Agreement shall automatically be deemed a nullity. To retract a prior request for exclusion, a
9 Class Member must provide to the Settlement Administrator at least three (3) calendar days prior
10 to the Final Settlement Hearing, or any adjournment thereof, a written notice stating their desire to
11 retract their request for exclusion from the Class Member Class. Any withdrawal from this
12 Agreement by Defendant shall have the same effect as a termination of the Settlement Agreement
13 for failure to satisfy a condition of settlement, and the Settlement Agreement shall become null
14 and void and have no further force or effect, and the Settlement Class certified pursuant to the
15 Settlement Agreement will be decertified for all purposes. If Defendant chooses to terminate the
16 Stipulation based upon this Section, Defendant shall pay the Settlement Administrator's fees and
17 costs incurred to that point.

18

19 10. Final Settlement Approval Hearing and Entry of Final Judgment.

20 Upon expiration of the Objection/Exclusion Deadline Date, with the Court's permission, a Final
21 Settlement Approval Hearing ("Settlement Hearing") shall be conducted to determine final
22 approval of the Settlement along with the amount properly payable for (i) attorneys' fees and costs
23 to Class Counsel, (ii) Named Plaintiff's Service Award, (iii) Settlement Administration fees, and
24 (iv) PAGA penalties. Upon final approval of the Settlement by the Court at or after the Settlement
25 Hearing, the Parties shall present an Order Granting Final Approval and Final Judgment ("Final
26 Judgment and Order") (substantially in the form attached as **Exhibit 3** hereto) to the Court for its
27 approval. After entry of the Final Judgment and Order, the Court shall have continuing
28 jurisdiction pursuant to California Code of Civil Procedure Section 664.6 solely for purposes of

1 addressing: (i) settlement administration matters and (ii) such post-Final Judgment matters as may
2 be appropriate under court rules or as set forth in this Agreement.

3
4 11. The Settlement Administrator shall establish a Settlement Account
5 (either a separate checking account or separate ledger entry), and timely fund any checks written
6 upon the Settlement Account to pay all amounts owed under this Settlement.

7
8 12. Procedure for Payment of Settlement Awards Through Two
9 Distributions.

10
11 a. First Distribution. Within twenty-one (21) calendar days of
12 Funding Payment Two~~after the Effective Date~~, the Settlement Administrator will distribute all
13 monies in the Settlement Fund by paying out, in the following order until the funds are exhausted:
14 (1) prorate all Individual Settlement Awards to the Participating Class Members, (2) all
15 Individual PAGA Awards to Aggrieved Employees, (3) PAGA penalties to the LWDA, (4)
16 Attorneys' Fees and Costs, the Named Plaintiff's Service Award, (5) Class Counsel's litigation
17 costs, and (6) PAGA penalties to the LWDA Class Counsel's attorney's fees. No later than January
18 4, 2027, the Settlement Administrator shall calculate the maximum amount of employer-side
19 payroll taxes due on the Gross Wage Portion of the Individual Settlement Awards and provide said
20 calculations to Defendant. Defendant shall pay the employer-side payroll taxes due on the Gross
21 Wage Portion of the Individual Settlement Awards to the Settlement Administrator by January 31,
22 2027. For example, if the Settlement Fund contains \$100,000.00 at the time, then each
23 Participating Class Member's Individual Settlement Award shall be 1/3 of their calculated total. If
24 the Settlement Fund contains \$200,000.00 at the time, then each Participating Class Member's
25 Individual Settlement Award shall be 2/3 of their calculated total. The Individual Settlement
26 Awards for this distribution shall consist only of Non-Wage Portions.

27 b. Second Distribution. Within twenty-one (21) calendar days
28 of January 31, 2028, the Settlement Administrator will distribute all remaining monies in the

1 Settlement Fund, ~~by paying out prorated Individual Settlement Awards to the Participating Class~~
2 ~~Members, Individual PAGA Awards to Aggrieved Employees, Attorneys' Fees and Costs, the~~
3 ~~Named Plaintiff's Service Award, and PAGA penalties to the LWDA. The Individual Settlement~~
4 ~~Awards for this distribution shall include Gross Wage Portion of the Individual Settlement Awards~~
5 ~~subject to payroll withholdings. No later than January 3, 2028, the Settlement Administrator shall~~
6 ~~calculate the maximum amount of employer-side payroll taxes due on the Gross Wage Portion of~~
7 ~~the Individual Settlement Awards and provide said calculations to Defendant. Defendant shall pay~~
8 ~~the employer-side payroll taxes due on the Gross Wage Portion of the Individual Settlement~~
9 ~~Awards to the Settlement Administrator by January 31, 2028.~~

10 c. Any checks paid to Participating Class Members shall
11 remain valid and negotiable for one hundred twenty (120) days from the date of their issuance
12 ("Check Stale Date"). Any checks not cashed after one hundred twenty (120) calendar days will
13 be distributed to the Cy Pres Recipient as set forth within this Agreement. For any checks that are
14 returned with a forwarding address, the Settlement Administrator shall send the check to that
15 forwarding address within ten (10) calendar days. For any checks that are returned with no
16 forwarding address, the Settlement Administrator shall attempt to determine a correct address by
17 using a single computer or other search and shall email the Participating Class Member at the
18 email address provided by Defendant. If the Settlement Administrator obtains a new address, then
19 the check shall be mailed to that new address within ten (10) calendar days. In the event these
20 procedures are utilized and the person does not receive the check, the Settlement Administrator
21 will have fulfilled all of its obligations under this section and shall distribute the funds in that
22 check to the Cy Pres Recipient.

23
24 13. Administration of the Settlement shall be completed on or before the
25 date approximately one hundred twenty (120) days or sooner after the Check Stale Date for the
26 second distribution. Upon completion of administration of the Settlement, the Settlement
27 Administrator shall provide Class Counsel and counsel for Defendant with a declaration of
28 completion to be filed with the Court by Class Counsel.

1 14. Administration Cost. All of Defendant's own legal fees, costs, and
2 expenses incurred in the Action shall be borne by Defendant. In accordance with Section X.E.X.E.,
3 settlement administration expenses will be part of the Settlement Fund. The Parties agree to
4 cooperate in the Settlement administration process and to make all reasonable efforts to control
5 and minimize the costs and expenses incurred in administration of the Settlement.

6
7 G. Nullification of Settlement Agreement. In the event that prior to the
8 Effective Date: (i) the Court does not enter a Preliminary Approval Order; (ii) the Court does not
9 finally approve the Settlement as provided herein; (iii) the Court does not enter a Final Judgment
10 as provided herein which becomes final as a result of the occurrence of the Effective Date; (iv)
11 more than ten percent (10%) of Class Members submit valid opt-out election forms and Defendant
12 exercise their option to void the settlement; or (v) the Settlement does not become final for any
13 other reason, this Settlement Agreement shall be null and void and any order or judgment entered
14 by the Court in furtherance of this Settlement shall be treated as void *ab initio*. In that case, the
15 Parties will seek to reach a revised agreement acceptable to them to be presented to the Court. In
16 the event the Parties cannot reach a mutually acceptable revised agreement, they shall ask the
17 mediator to assist them in resolving the remaining disputes before litigating further. In the event
18 the Parties are unable to reach a revised agreement, or any such revised agreement is not approved
19 by the Court, the Parties shall proceed in all respects as if this Settlement Agreement had not been
20 executed and Defendant will not make any payments under this Settlement Agreement, except that
21 any fees already incurred by the Settlement Administrator shall be paid for by Defendant. In the
22 event an appeal is filed from the Court's Final Judgment, or any other appellate review is sought
23 prior to the Effective Date, administration of the Settlement shall be stayed pending final
24 resolution of the appeal or other appellate review. The Parties will work cooperatively in
25 connection with defending the settlement on appeal and each party will file papers in support of
26 the settlement as necessary and appropriate.

1 H. No Effect on Employee Benefits. The Service Awards and Individual
2 Settlement Awards paid to the Named Plaintiff and Participating Class Members shall be deemed
3 not to be pensionable earnings and shall not have any effect on the eligibility for, or calculation of,
4 any of the employee benefits (e.g., vacations, holiday pay, retirement plans, etc.) of Named
5 Plaintiff or Participating Class Members. The Parties agree that any Service Award and Individual
6 Settlement Awards paid to Named Plaintiff and Participating Class Members under the terms of
7 this Agreement do not represent any modification of Named Plaintiff's or Participating Class
8 Members' previously credited hours of service, or other eligibility criteria, under any employee
9 pension benefit plan or employee welfare benefit plan sponsored by Defendant. Further, any
10 Service Award or Individual Settlement Awards hereunder shall not be considered
11 "compensation" in any year for purposes of determining eligibility for, or benefit accrual within,
12 an employee pension benefit plan, employee welfare benefit plan sponsored by Defendant, or
13 unemployment benefits. Defendant will not take 401(k) or other benefits deductions from any
14 Service Award or Individual Settlement Awards.

15
16 I. Notices. Named Plaintiff shall give the following notices:
17 a. Named Plaintiff will provide the required notice to the
18 LWDA pursuant to California Labor Code § 2699(1)(2).

19
20 J. Privacy of Documents and Information. Within 30 days of execution of this
21 Agreement, Defendant will file a Notice of Conditional Settlement of the Action.. Named
22 Plaintiff and Named Plaintiff's counsel agree that none of the documents and information
23 provided to them by Defendant shall be used for any purpose other than prosecution of the Class
24 Action.

25
26 K. Confidentiality Prior to Preliminary Approval. The undersigned agree that
27 prior to the date of the filing of the papers in support of Preliminary Approval, they will keep
28 confidential the terms of this Settlement, and there shall be no publicity of any kind relating to this

1 Settlement. Named Plaintiff shall be informed that the Settlement is confidential up until the date
2 of the filing of the papers in support of Preliminary Approval, and shall be advised to keep this
3 Settlement confidential. Notwithstanding the foregoing, Named Plaintiff and Class Counsel may
4 inform their immediate family and legal, tax, and financial advisors of this Settlement. However,
5 before disclosing any such information to any such person, Named Plaintiff or Class Counsel (as
6 the case may be) shall advise such person(s) that the information is confidential. The disclosure of
7 this information to any other person shall constitute a breach of this Agreement. Prior to the date
8 of the filing of the papers in support of Preliminary Approval, Class Counsel and Counsel for
9 Defendant may not communicate the terms of this Settlement to Class Members, other than
10 Named Plaintiff, including on websites. Notwithstanding the foregoing, the Parties may discuss
11 the terms of the Settlement in any papers filed with the Court relating to preliminary approval of
12 the Settlement. Defendant may reference this Settlement prior to Preliminary Approval in its
13 financial disclosures.

14
15 L. Limited Publicity Following Preliminary Approval. From and after
16 Preliminary Approval of the Settlement, Class Counsel and Named Plaintiff may only comment
17 regarding the specific terms of this Agreement: (1) as required by law; or (2) as required under the
18 terms of this Agreement. In all other cases, Class Counsel and Named Plaintiff agree to not
19 publicize this Settlement in any way. Neither Named Plaintiff nor Class Counsel shall hold any
20 press conference, make any press release, make statements to the press, publish the settlement on
21 the internet or social media, or in any way affirmatively publicize any information related in any
22 way to the Settlement. Notwithstanding the foregoing, Class Counsel is expressly permitted to
23 disclose the publicly filed terms of this settlement in their declarations filed in other cases;
24 provided that the declarations are not otherwise publicized or reported and are only filed with the
25 courts in any other cases. Nothing in this paragraph or any other provision of this Agreement is
26 intended to prevent the Parties from disclosing factual information regarding any claim for sexual
27 harassment, sex discrimination, or retaliation for reporting sexual harassment or sex discrimination
28 pursuant to California Code of Civil Procedure § 1001(a)(3). Further, nothing in this Agreement

1 shall prevent Class Members from engaging in any form of concerted activity that is protected by
2 Section 7 of the National Labor Relations Act, which is codified at 29 U.S.C. § 157. Information
3 about such rights is available to Class Members on the National Labor Relations Board's website,
4 www.nlr.gov.

5
6 M. No Admission by the Released Parties. Defendant and the Released Parties
7 deny any and all claims alleged in the Action and deny all wrongdoing whatsoever. This
8 Agreement is not a concession or admission, and shall not be used against Defendant or any of the
9 Released Parties as an admission or indication with respect to any claim of any fault, concession,
10 or omission by Defendant or any of the Released Parties. Whether or not the Settlement is finally
11 approved, neither the Settlement, nor any document, statement, proceeding, or conduct related to
12 this Agreement, nor any reports or accounts thereof, shall in any event be:

13
14 1. Construed as, offered as, admitted into, or deemed to be evidence
15 for any purpose adverse to the Released Parties, including but not limited to evidence of a
16 presumption, concession, indication, or admission by any of the Released Parties of any liability,
17 fault, wrongdoing, omission, concession, or damage; or

18
19 2. Disclosed, referred to, offered, or received as evidence against any
20 of the Released Parties in any further proceeding in the Action, or any other civil, criminal, or
21 administrative action or proceeding, except for purposes of settling the Action pursuant to this
22 Agreement or enforcing the terms of this Stipulation.

23
24 N. Exhibits and Headings. The terms of this Agreement include the terms set
25 forth in any of the attached **Exhibits 1 through 3**, which are incorporated by this reference as
26 though fully set forth herein. Any Exhibits to this Agreement are an integral part of the
27 Settlement. The descriptive headings of any Paragraphs or Sections of this Agreement are inserted
28 for convenience of reference only and do not constitute a part of this Agreement.

1 O. Amendment or Modification. This Agreement may be amended or
2 modified only by a written instrument signed by counsel for all Parties or their successors-in-
3 interest.

4
5 P. Entire Agreement. This Agreement and the attached Exhibits constitute the
6 entire agreement among these Parties, and no oral or written representations, warranties, or
7 inducements have been made to any Party concerning this Agreement or its Exhibits, other than
8 the representations, warranties, and covenants contained and memorialized in such documents.

9
10 Q. Authorization to Enter into Settlement Agreement. Counsel for all Parties
11 warrant and represent that they are expressly authorized by the Parties whom they represent to
12 negotiate this Agreement and to take all appropriate action required or permitted to be taken by
13 such Parties (including the execution of any other documents) pursuant to this Agreement to
14 effectuate the terms of said Agreement. The Parties and their counsel will cooperate with each
15 other and use their best efforts to effect the implementation of the Settlement.

16
17 R. Binding on Successors and Assigns. This Agreement shall be binding upon,
18 and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

19
20 S. California Law Governs. All terms of this Agreement and the Exhibits
21 attached hereto shall be governed by and interpreted according to the laws of the State of
22 California.

23
24 T. Counterparts. This Agreement may be executed in one or more
25 counterparts and transmitted via email or facsimile. All executed counterparts, their copies and
26 each of them, shall be deemed to be one and the same instrument.

1 U. Cooperation and Drafting. Each of the Parties has cooperated in the
2 drafting and preparation of this Agreement. Hence, in any construction made of this Agreement,
3 the same shall not be construed against any of the Parties.

4
5 V. Invalidity of Any Provision. Before declaring any provision of this
6 Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest
7 extent possible consistent with applicable precedents so as to define all provisions of this
8 Agreement valid and enforceable.

9
10 W. Named Plaintiff's General Release Remains Effective. Named Plaintiff
11 agrees to sign this Agreement and by signing this Agreement is bound by the terms herein stated,
12 including without limitation the release set forth in Section ~~0X.C~~. Named Plaintiff shall retain his
13 rights as a Participating Class Member under this Agreement, but understands that should he opt
14 out of the Settlement, he shall waive his rights to any recovery of any Service Award.

15 **NAMED PLAINTIFF**

16
17 Dated: _____ By: _____
18 MICHAEL CASTRO

19
20 **DEFENDANT**

21
22 Dated: _____ BRITE NITES, INC.

23 By: _____

24
25 Its: _____

1 APPROVED AS TO FORM:

2 **PLAINTIFF'S COUNSEL**

3
4 Dated: _____ JUSTICE FOR WORKERS, P.C.

5
6 By: _____
7 WILLIAM C. SUNG
8 TIFFANY L. LUU

9 Attorneys for Plaintiff
MICHAEL CASTRO

10 **DEFENDANT'S COUNSEL**

11 Dated: _____ SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

12
13 By: _____
14 SAMANTHA D. HARDY
15 CARINA L. NOVELL
16 BERNICE E. DIAZ

17 Attorneys for Defendant
18 BRITE NITES, INC.

EXHIBIT C

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

Michael Castro v. Brite Nites, Inc., Case No. 24CV061873

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

You may be eligible to receive money from a class action lawsuit (“Action”) against Brite Nites, Inc. (“Defendant”) for alleged wage and hour violations. The Action was filed by alleged employee Michael Castro (“Named Plaintiff”) and seeks payment of (1) back wages and other relief for a class of all current and former independent contractors who performed work for Brite Nites, Inc. in California during the Class Period of January 30, 2020 ~~through, and ending on the date preliminary approval of the Settlement is granted or~~ November 13, 2025, ~~whichever date is earlier~~ (“Class Members”); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all current and former independent contractors who performed work for Brite Nites, Inc. in California during the PAGA Period of January 29, 2023 through ~~and including the date preliminary approval of the Settlement is granted or~~ November 13, 2025, ~~whichever date is earlier~~ (“Aggrieved Employees”).

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

Based on Defendant’s records, and the Parties’ current assumptions, **your Individual Settlement Award is estimated to be \$INSERT (less withholding) and your Individual PAGA Payment is estimated to be \$INSERT.** The actual amount you may receive may 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 did not work during the PAGA Period.)

The above estimates are based on Defendant’s records showing that **you worked INSERT Workweeks** during the Class Period, and **you worked INSERT PAGA Workweeks** during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

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

against Defendant.

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

- (1) **Do Nothing.** You do not have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Award and/or an Individual PAGA Payment. As a Participating Class Member though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against Defendant.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the class settlement (opt-out) by submitting the written request for exclusion or otherwise notifying the Settlement Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Settlement Award. You will, however, preserve your right to personally pursue Class Period wage claims against Defendant, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

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

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Award and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage claims against Defendant that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Settlement Administrator a written request for exclusion. Once excluded, you will be a non-Participating Class Member and no longer eligible for an Individual Settlement Award. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed Settlement. The Court’s decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Named Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Named Plaintiff, but every dollar paid to Class Counsel and Named Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Named Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the [REDACTED] Settlement Hearing	The Court’s Settlement Hearing is scheduled to take place on [REDACTED]. You do not have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Settlement Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Class/PAGA Period Workweeks Written Challenges Must be Submitted by [REDACTED]	The amount of your Individual Settlement Award and PAGA Payment (if any) depend on how many Workweeks you worked at least one day during the Class Period and the PAGA Period, respectively. The number of Class Period workweeks and number of PAGA Period workweeks you worked according to Defendant’s records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by [REDACTED]. See Section 4 of this Notice.

1. WHAT IS THE ACTION ABOUT?

Named Plaintiff is a former alleged employee of Defendant Brite Nites, Inc. The Action accuses Defendant of violating California labor laws by misclassifying employees as independent contractors; failing to pay minimum and overtime wages, failing to provide legally compliant meal and rest periods; failing to reimburse necessary business expenses; failing to pay wages due upon termination; failing to provide accurate itemized wage statements; and unfair competition. Based on the same claims, Named Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) (“PAGA”). Named Plaintiff is represented by attorneys in the Action: William C. Sung, Tiffany L. Luu, Joseph C. Ramli of Justice for Workers, P.C. (“Class Counsel”)

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

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

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

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

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

1. Defendant Will Pay \$300,000.00 as the Settlement Fund. Defendant has agreed to deposit the Settlement Fund into an account controlled by the Settlement Administrator of the Settlement. The Settlement Administrator will use the Settlement Fund to pay the Individual Settlement Awards, Individual PAGA Payments, Named Plaintiff Service Award, Class Counsel’s attorney’s fees and expenses, the Settlement Administrator’s expenses, and penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Defendant shall fully fund the Settlement Fund by making annual payments into an escrow account administered by the Settlement Administrator. Defendant shall make three annual contributions of \$100,000.00 into the escrow account based on the following schedule: on or before January 31, 2026 (“Funding Payment One”); on or before January 31, 2027 (“Funding Payment Two”); and on or before January 31, 2028 (“Funding Payment Three”). Defendant shall also fund the amounts necessary to fully pay Defendant’s share of payroll taxes by transmitting the funds to the Administrator no later than ~~15 days after the Effective Date for the first settlement disbursement and on or before~~ January 31, 2027 so that all Individual Settlement Awards can be distributed in the first settlement distribution; for the second settlement disbursement.
2. Settlement Payment Distributions. Assuming the Court grants Final Approval and the Judgment entered by the Court becomes final, payment from the Settlement Fund shall be paid through two distributions. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.

- A. First Distribution. ~~Within twenty-one (21) calendar days of Funding Payment Two, the Settlement Administrator will distribute all monies in the Settlement Fund by paying out, in the following order until the funds are exhausted: (1) all Individual Settlement Awards to the Participating Class Members, (2) all Individual PAGA Awards to Aggrieved Employees, (3) PAGA penalties to the LWDA, (4) the Named Plaintiff's Service Award, (5) Class Counsel's litigation costs, and (6) Class Counsel's attorney's fees. Within twenty-one (21) calendar days after the Effective Date, the Settlement Administrator will distribute all monies in the Settlement Fund by paying out prorated Individual Settlement Awards to the Participating Class Members, Individual PAGA Awards to Aggrieved Employees, Class Counsel's attorneys' fees and costs, the Named Plaintiff's Service Award, and PAGA penalties to the LWDA. For example, if the Settlement Fund contains \$100,000.00 at the time, then each Participating Class Member's Individual Settlement Award shall be 1/3 of their calculated total. If the Settlement Fund contains \$200,000.00 at the time, then each Participating Class Member's Individual Settlement Award shall be 2/3 of their calculated total. The Individual Settlement Awards for this distribution shall consist only of Non-Wage Portions.~~
- B. Second Distribution. ~~Within twenty-one (21) calendar days of January 31, 2028, the Settlement Administrator will distribute all remaining monies in the Settlement Fund by paying out prorated Individual Settlement Awards to the Participating Class Members, Individual PAGA Awards to Aggrieved Employees, Class Counsel's attorneys fees and costs, the Named Plaintiff's Service Award, and PAGA penalties to the LWDA. The Individual Settlement Awards for this distribution shall include Gross Wage Portion of the Individual Settlement Awards subject to payroll withholdings.~~
3. Court-Approved Deductions from Settlement Fund. At the Settlement Hearing, Named Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Settlement Fund, the amounts of which will be decided by the Court at the Settlement Hearing:
- A. Up to \$100,000.00 (One-Third or 33 1/3% of the Settlement Fund) to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
- B. Up to \$7,500.00 to Named Plaintiff as Named Plaintiff Service Award for filing the Action, working with Class Counsel and representing the Class. A Named Plaintiff Service Award will be the only monies Named Plaintiff will receive other than Named Plaintiff's Individual Settlement Award and any Individual PAGA Payment.
- C. Up to \$8,690.00 to the Settlement Administrator for services administering the Settlement.

- D. Up to \$15,000.00 for PAGA Penalties, allocated 75% to the LWDA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Pay Periods.

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

4. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Settlement Administrator will distribute the rest of the Settlement Fund (the “Net Settlement”) by making Individual Settlement Awards to Participating Class Members based on their Class Period Workweeks.
5. Taxes Owed on Payments to Class Members. Named Plaintiff and Defendant are asking the Court to approve an allocation of 10% of each Individual Settlement Award to taxable wages (“Wage Portion”) and 90% to interests and penalties (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Settlement Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Settlement Awards on IRS 1099 Forms.

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

6. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Settlement Awards and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, the funds from your check will be transmitted to the Legal Aid Foundation of Los Angeles, a Court-approved nonprofit organization.
7. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Settlement Administrator in writing, not later than **INSERT**, that you wish to opt-out. The easiest way to notify the Settlement Administrator is to send a written and signed request for exclusion by the **INSERT** Response Deadline. The request for exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Settlement Awards but will preserve their rights to personally pursue wage and hour claims against Defendant.

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

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

The Participating Class Members will be bound by the following release: All Participating Class Members release Defendant and each of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys, and each of its company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees, and agents (the “Released Parties”) from the “Released Class Claims” arising during the Class Period. “Released Class Claims” means all claims alleged in Named Plaintiff’s Operative Complaint in the Action, or that could have been alleged based upon the facts pleaded in the Operative Complaint, under any theory of law, including but not limited to all claims for alleged violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end of employment); meal and rest period claims (including claims regarding how any meal or rest period penalties were calculated); unpaid expense reimbursements; record-keeping violations; and any and all associated statutory penalties and damages (including but not limited to pay stub

penalties, waiting time penalties, any other statutory penalties arising under the California Labor Code, and liquidated damages for the Class Period). The Class Members may not sue or otherwise make a claim against any of the Released Parties for the Released Claims. This release shall have full res judicata effect as to FLSA claims for all Participating Class Members if the Participating Class Member endorses and cashes his or her settlement check. The Released Class Claims expressly do not include claims for unemployment compensation, workers' compensation, discrimination, or retaliation.

~~11. Aggrieved Employees' LWDA's PAGA Release. After the Court's Judgment is final, and Defendant has paid the Settlement Fund and separately paid the employer-side payroll taxes, Named Plaintiff, as proxy and agent on behalf of the LWDA, release Defendant and each of its past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, and attorneys, and each of its company-sponsored employee benefit plans and all of their respective officers, directors, employees, administrators, fiduciaries, trustees, and agents (the "Released Parties") from the "Released PAGA Claims" arising during the PAGA Period. "Released PAGA Claims" means all claims for civil penalties under the PAGA alleged in Named Plaintiff's letter to the LWDA and Defendant dated January 29, 2024 alleging violations of the PAGA (the "LWDA Notice"), or that could have been alleged based upon the facts pleaded in the LWDA Notice, under any theory of law, including but not limited to all claims for alleged violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular rates, sick time, vacation pay, or other theory); timing of payment (both during or at the end of employment); meal and rest period claims (including claims regarding how any meal or rest period penalties were calculated); unpaid expense reimbursements; record-keeping violations; and any and all associated civil penalties arising under the California Labor Code. all Aggrieved Employees will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Defendant or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.~~

~~12.~~

~~13.11. The Aggrieved Employees' Release are as follows: All Aggrieved Employees release Defendant and the Released Parties from the "Released PAGA Claims" arising during the PAGA Period. "Released PAGA Claims" means all claims for civil penalties under the PAGA alleged in Named Plaintiff's letter to the LWDA and Defendant dated January 29, 2024 alleging violations of the PAGA (the "LWDA Notice") and Named Plaintiff's Operative Complaint in the Action, or that could have been alleged based upon the facts pleaded in the LWDA Notice and Operative Complaint, under any theory of law, including but not limited to all claims for alleged violations of the Labor Code and/or Wage Orders, including but not limited to unpaid minimum wage, straight time, or overtime wages (including on an off-the-clock, rounding, calculation of regular rates, sick time, vacation~~

~~pay, or other theory); timing of payment (both during or at the end of employment); meal and rest period claims (including claims regarding how any meal or rest period penalties were calculated); unpaid expense reimbursements; record keeping violations; and any and all associated civil penalties arising under the California Labor Code.~~

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Awards. The Settlement Administrator will calculate Individual Settlement Awards by (a) subtracting the Service Award, Class Counsel's attorney's fees and costs, PAGA penalties, and Settlement Administrator's expenses from the Settlement Fund to arrive at a net settlement fund ("Payout Fund"); (b) dividing the Payout Fund by the total number of workweeks worked by all Participating Class Members, and (c) multiplying the result by the number of workweeks worked by each individual Participating Class Member.
2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA penalties (\$3,570.00) by the total number of workweeks worked by all Aggrieved Employees and (b) multiplying the result by the number of workweeks worked by each individual Aggrieved Employee.
3. Class/PAGA Period Workweek Challenges. The number of workweeks you worked during the Class Period and the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **INSERT** to challenge the number of class/PAGA period workweeks credited to you. You can submit your challenge by signing and sending a letter to the Settlement Administrator via mail, email, or fax. Section 9 of this Notice has the Settlement Administrator's contact information.

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

5. HOW WILL I GET PAID?

1. Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who does not opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Settlement Award and the Individual PAGA Payment.

2. Non-Participating Class Members. The Settlement Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

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

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

Submit a written and signed letter with your name and a simple statement that you do not want to participate in the Settlement. The Settlement Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Michael Castro v. Brite Nites, Inc.*, Case No. 24CV061873, and include your full name. You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Settlement Administrator must receive your request to be excluded by INSERT, or it will be invalid.** Section 9 of the Notice has the Settlement Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Named Plaintiff and Defendant are asking the Court to approve. At least 16 court days before the INSERT Settlement Hearing, Class Counsel and/or Named Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Attorneys' Fees and Litigation Costs and Named Plaintiff Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and costs; and (ii) the amount Named Plaintiff is requesting as Named Plaintiff Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Settlement Administrator's Website www.INSERT.com or the Court's website <https://eportal.alameda.courts.ca.gov/>.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Attorneys' Fees and Litigation Costs, and Named Plaintiff Service Award may wish to object. **The deadline for sending written objections to the Settlement Administrator is INSERT.** Be sure to tell the Settlement Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action *Michael Castro v. Brite Nites, Inc.*, Case No. 24CV061873 and include your full name and sign the objection. Section 9 of this Notice has the Settlement Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Settlement Hearing. You (or your attorney) should be ready

to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Settlement Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Settlement Hearing **INSERT** at **INSERT** a.m./p.m. in Department 21 of the Alameda Superior Court, Rene C. Davidson Courthouse, located at 1225 Fallon Street, Oakland, CA 94612. At the Hearing, the judge will decide whether to grant final approval of the Settlement and how much of the Settlement Fund will be paid to Class Counsel, Named Plaintiff, and the Settlement Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually (<https://www.alameda.courts.ca.gov/general-information/remote-appearances>). Check the Court's website for the most current information.

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

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Named Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Settlement Administrator's website at www._____.com. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to (<https://eportal.alameda.courts.ca.gov/>) and entering the Case Number for the Action, Case No. 24CV061873. You can also make an appointment to personally review court documents in the Clerk's Office at the Alameda Superior Court.

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

Class Counsel:

JUSTICE FOR WORKERS, P.C.

William C. Sung

Tiffany L. Luu

Joseph C. Ramli

3600 Wilshire Blvd., Ste. 1815

Los Angeles, CA 90010

T: (323) 922-2000

william@justiceforworkers.com

tluu@justiceforworkers.com
jramli@justiceforworkers.com

Settlement Administrator:

INSERT

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

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

11. WHAT IF I CHANGE MY ADDRESS?

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

EXHIBIT D

1 **JUSTICE FOR WORKERS, P.C.**

William C. Sung SB# 280792

2 E-Mail: william@justiceforworkers.com

Tiffany L. Luu SB# 335127

3 E-Mail: tluu@justiceforworkers.com

3600 Wilshire Boulevard, Suite 1815

4 Los Angeles, CA 90010

Tel: 323-922-2000

5 Fax: 323-922-2000

6 Attorneys for Plaintiff MICHAEL CASTRO

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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **FOR THE COUNTY OF ALAMEDA**
10

11 MICHAEL CASTRO, an individual and on
12 behalf of all others similarly situated,

13 Plaintiff,

14 v.

15 BRITE NITES, INC., an Utah corporation; and
16 DOES 1 through 50, inclusive,

17 Defendants.

Case No.: 24CV061873

[Assigned for All Purposes to:
Hon. [S. Raj Chatterjee](#)~~Noel Wise~~, Dept. 21]

**([AMENDED](#) PROPOSED) ORDER
GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

DATE: ~~May 12~~[June 16](#), 2026

TIME: 2:30 p.m.

DEPT: 21

Action Filed: January 30, 2024

Trial Date: Not Set

1 The Motion of Plaintiff Michael Castro (“Plaintiff”) for Preliminary Approval of Class
2 Action and PAGA Settlement came on regularly for hearing before this Court on ~~May 12~~June 16,
3 2026 at 2:30 p.m. This Court, having considered the Parties’ Amended Stipulation and Settlement
4 of Class and PAGA Claims¹ (the “Agreement” or the “Settlement”) attached to the Supplemental
5 Declaration of William C. Sung filed concurrently herein; having considered Plaintiff’s Motion for
6 Preliminary Approval of Class Action and PAGA Settlement, Memorandum of Points and
7 Authorities in support thereof, and supporting declarations filed therewith; and good cause
8 appearing, HEREBY ORDERS THE FOLLOWING:

9 1. The Court **GRANTS** preliminary approval of the Settlement as set forth in the
10 Agreement and finds its terms to be within the range of reasonableness of a settlement that
11 ultimately could be granted approval by the Court at a Final Approval Hearing. For purposes of
12 approving this Settlement only, the Court finds that the proposed Class is ascertainable and that
13 there is a sufficiently well-defined community of interest among the members of the Class in
14 questions of law and fact. Therefore, for Settlement purposes only, the Court grants conditional
15 certification of the following Class:

16 All current and former independent contractors who performed work for Brite Nites,
17 Inc. in California during the Class Period of January 30, 2020 through November 13,
2025.

18 2. The Court finds the allocation from the Settlement Fund to PAGA penalties—
19 including the Labor & Workforce Development Agency’s (“LWDA”) 75% share and the Aggrieved
20 Employees’ 25% share—as fair, adequate, and reasonable in light of the overall Settlement Fund.
21 “Aggrieved Employees” are all current and former independent contractors who performed work
22 for Brite Nites, Inc. in California during the PAGA Period of January 29, 2023 through November
23 13, 2025. Pursuant to Labor Code section 2699(s)(2), the LWDA will be provided notice of the
24 Agreement and the settlement terms.

25 3. For Settlement purposes only, the Court designates Named Plaintiff Michael Castro
26 as Class Representative and William C. Sung and Tiffany L. Luu of Justice for Workers, P.C. as
27
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¹ All defined terms contained herein shall have the same meanings as set forth in the Agreement.

1 Class Counsel.

2 4. The Court designates Apex Class Action, LLC as the third-party Settlement
3 Administrator, as more specifically set forth in the Settlement.

4 5. The Court approves, as to form and content, the Class Notice attached as Exhibit 1 to
5 the Agreement.

6 6. The Court finds that the form of notice to the Class regarding the pendency of the
7 action and of the Settlement, and the methods of giving notice to Class Members, constitute the best
8 notice practicable under the circumstances, and constitute valid, due, and sufficient notice to all of
9 the Class Members. The form and method of giving notice complies fully with the requirements of
10 California Code of Civil Procedure section 382, California Civil Code section 1781, California
11 Rules of Court 3.766 and 3.769, the California and United States Constitutions, and other applicable
12 law.

13 7. The Court further approves the procedures for the Class Members to opt out of or
14 object to the Settlement, as set forth in the Class Notice and Settlement.

15 8. The procedures and requirements for filing objections in connection with the Final
16 Approval Hearing are intended to ensure the efficient administration of justice and the orderly
17 presentation of any Class Member's objection to the Settlement in accordance with the due process
18 rights of all members of the Class.

19 9. The Court directs the Settlement Administrator to mail the Class Notice to Class
20 Members in accordance with the terms of the Settlement.

21 10. The Class Notice shall provide at least sixty (60) calendar days' notice for Class
22 Members to opt out of, or object to, the Settlement.

23 11. The Final Approval Hearing on the question of whether the Settlement should be
24 finally approved as fair, reasonable, and adequate is scheduled in Department 21 of this Court,
25 located at Rene C. Davidson Courthouse, located at 1225 Fallon Street, Oakland, CA 94612 on
26 _____, 2026 at ____ a.m./p.m.

27 12. At the Final Approval Hearing, the Court will consider: (a) whether the Settlement
28 should be finally approved as fair, reasonable, and adequate for the Class; (b) whether a judgment

granting final approval of the Settlement should be entered; and (c) whether Plaintiff's application for reasonable attorneys' fees, reimbursement of litigation expenses, service award to Plaintiff, settlement administration costs, and payment to the LWDA for penalties under the Labor Code Private Attorneys General Act should be granted.

13. Counsel for the parties shall file memoranda, declarations, or other statements and materials in support of their request for final approval of the Settlement, attorneys' fees, litigation expenses, Plaintiff's service award, payment to the LWDA, and settlement administration costs, prior to the Final Approval Hearing according to the time limits set by the Code of Civil Procedure and the California Rules of Court.

14. The Court reserves the right to continue the Final Approval Hearing without further notice to the class. However, if written objections are submitted, Class Counsel is ordered to serve notice on any such objecting class member of the new date and time of the Final Approval Hearing.

15. An implementation schedule is below:

Event	Date
Defendant to provide Class Data to the Settlement Administrator no later than:	14 calendar days after Preliminary Approval
Settlement Administrator to mail the Class Notice to Class Members no later than:	14 calendar days after receiving Class List and Data Report
Deadline for Class Members to request exclusion from, or object to, the Settlement:	60 calendar days after mailing
Deadline for Settlement Administrator to provide declaration of due diligence and compliance:	14 calendar days after opt-out/objection deadline
Deadline for Plaintiff to file Motion for Final Approval of Class Action Settlement:	16 court days before Final Approval Hearing
Final Approval Hearing	_____, <u>2025-2026</u> at _____

16. Pending the Final Approval Hearing, all proceedings in this Action, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

17. Counsel for the parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the Settlement which are not materially inconsistent with

1 either this Order or the terms of the Settlement.

2 **IT IS SO ORDERED.**

3
4 DATED: _____

5 Hon. S. Raj Chatterjee~~Noel Wise~~
6 Judge of the Superior Court
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EXHIBIT E