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and on behalf of others similarly situated

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

JOHN MARGARITIS, JR., individually, and on
behalf of all others similarly situated,

Plaintiff,

vs.

CURTIN MARITIME CORP., a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 23STCV31826 (lead)

*Assigned for all purposes to:
Hon. Stuart M. Rice, Dept. 1*

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

Date: March 17, 2025
Time: 10:30 a.m.
Dept.: 1

Electronically FILED by
Superior Court of California,
County of Los Angeles
2/20/2025 6:29 PM
David W. Slayton,
Executive Officer/Clerk of Court,
By S. Drew, Deputy Clerk

1 I, John G. Yslas, hereby declare as follows:

2 1. I am an attorney at law licensed to practice before all of the courts of the State of
3 California. I am a senior partner at Wilshire Law Firm, PLC (“WLF”), counsel for Plaintiff John
4 Margaritis, Jr. (“Plaintiff”) in this matter. I am thoroughly familiar with and have personal
5 knowledge of all of the facts set forth herein.

6 2. I submit this declaration in support of Plaintiff’s Motion for Preliminary Approval
7 of Class Action and PAGA Settlement.

8 **Procedural History**

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

16 4. On January 24, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave
17 notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action
18 under PAGA (LWDA-CM-1007080-24). On March 28, 2024, after the 65-day statutory period
19 passed, Plaintiff filed the PAGA Action, alleging claims for penalties pursuant to Labor Code §
20 2699, *et seq.* On September 5, 2024, the Class Action and the PAGA action were related, with the
21 Class Action designated as the lead case.

22 5. The Parties subsequently participated in a private mediation with mediator Daniel
23 Turner on November 18, 2024. The negotiations were adversarial, conducted at arm’s length, and
24 tempered by the efforts of both sides to serve the interests of their clients. With the help of Mr.
25 Turner, the Parties were able to reach an agreement on general settlement terms at mediation and
26 executed a Memorandum of Understanding thereafter.

27 6. The parties negotiated the terms of the Settlement over the next several months,
28 which was finalized on February 20, 2025. A true and correct copy of the fully executed Settlement

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

3 7. On February 20, 2025, Plaintiff submitted a copy of the Settlement Agreement to
4 the LWDA. A true and correct copy of the confirmation of submission my office received after
5 submitting the Settlement Agreement to the LWDA is attached hereto as **Exhibit 2**.

6 **Investigation and Exposure Analysis**

7 8. Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims,
8 applicable law, and potential defenses. Plaintiff's Counsel assessed the value to the class claims
9 using the documents and data Defendant produced in informal discovery, including class data
10 providing the number of Class Members, the number of workweeks in the Class Period, and the
11 number of pay periods in the PAGA Period, Plaintiff's personnel file, employment handbooks and
12 policies, job descriptions, and a random sampling of time and payroll records. Plaintiff's Counsel
13 engaged an expert to quantify the potential exposure using the time and payroll records, and then
14 assessed the risks associated with each claim meriting reductions in the likely success at class
15 certification and likely recovery at trial.

16 9. Defendant's records show that there are approximately 350 Class Members, making
17 joinder of all Class Members impracticable. Further, given the size and amount of each Class
18 Members' claim, Class Members have little incentive to litigate their claims on an individual basis
19 because the out-of-pocket expenses and personal commitment necessary to litigate each claim
20 likely outweighs any potential recovery.

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

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

3 11. Based on an analysis of the facts and legal contentions in this case, documents and
4 information from Defendant, my team and I evaluated Defendant's maximum exposure. We
5 considered the risk of not having the claims certified and the risk of not prevailing at trial, even if
6 the claims are certified. After using the data Defendant provided, including Class Member
7 timekeeping and payroll records, as well as Class Member demographics (i.e., the number of Class
8 Members, Workweeks, and average total compensation of the Class), with the assistance of a
9 statistics expert, we created a damages model to evaluate the realistic range of potential recovery
10 for the class. The damages model is based on the following benchmarks:

11
12 Total Class Members: 350

13 Terminated Class Members during 3-year statute: 226

14 Total Workweeks: 6,300

15 Total Shifts Worked by the Class: 22,655

16 PAGA Pay Periods: 2,527

17 Avg. Hourly Rate: \$17.72
18

19 12. Minimum and Overtime Wages: Plaintiff alleges that Defendant failed to pay for all
20 hours worked, including minimum wages, straight time wages, and overtime wages, by requiring
21 class members to work off-the-clock, unpaid. For purposes of calculating Defendant's liability
22 based on a best-case scenario for Plaintiff and the Class, we estimate that Defendant's maximum
23 potential exposure by assuming that all unpaid work time should have been paid at the overtime
24 rate, not minimum or straight time wages, and we assumed that Defendant is liable for one (1) hour
25 of unpaid worktime per workweek. This results in an estimate of \$167,454.00 (6,300 workweeks
26 * \$17.72 hourly rate * 1.5 overtime rate * one hour of unpaid work per week), but we discounted
27 this figure by 50% to account for the difficulty of prevailing on a motion for class certification and
28 a trial on the merits because liability depends on whether Defendant knew or should have known

1 that class members were working off-the-clock, yielding a realistic damage estimate of
2 \$83,727.00.¹

3 13. Meal Periods: With respect to the meal period claim, Plaintiff alleges that Defendant
4 required them and similarly situated class members to either work in lieu of taking meal periods,
5 or their meal periods were untimely or interrupted. Based on our investigation, we assumed that
6 37.4% of all shifts had a meal period violation. Potential liability for the meal period claim is
7 \$150,141.02 (22,655 shifts * \$17.72 hourly rate * 37.4%). However, we discounted this figure by
8 50% to account for the difficulty of certifying and proving meal period claims, as well as
9 Defendant's contention that the claim lacks merit, yielding a realistic damage estimate of
10 \$75,070.51.

11 14. Rest Period: With respect to the rest period claim, Plaintiff alleges that Defendant
12 required them and similarly situated class members to work in lieu of taking rest periods, or their
13 rest periods were untimely or interrupted. Assuming a 90% violation rate for the Class Period based
14 on Plaintiff's and other Class Members' experience working for Defendant (even though our
15 investigation strongly suggests that Plaintiff and Class members were never able to take any 10-
16 minute rest breaks), Defendant's potential liability for the rest period claim is \$361,301.94 (22,655
17 shifts * \$17.72 hourly rate * 90%); however, we discounted this figure by 75% to account for the
18 difficulty of certifying and proving rest period claims, particularly because rest periods do not have
19 to be recorded, and to account for the possibility of Class Members voluntarily choosing to forego
20 a rest period, yielding a realistic damage estimate of \$90,325.49.

21 15. Reimbursements: Plaintiff alleges that Defendant failed to reimburse necessary
22 business expenses. Defendant's employees (including Plaintiff) were required to use their own
23 personal cell phones and purchase uniforms and personal protective equipment for work-related
24 purposes. Assuming a very conservative \$10/workweek per employee for unpaid reimbursements,
25

26
27 ¹ A 50% discount for risk at certification and trial is reasonable because the Judicial
28 Council of California found that only 22% of all class actions were certified. *See* Class
Certification in California, February 2010, available at <http://www4.courts.ca.gov/documents/classaction-certification.pdf>.

1 this results in a damage estimate of \$63,000.00 (\$10/workweek * 6,300 workweeks). Discounting
2 this figure by 75% to account for the difficulty of certifying and proving unpaid reimbursements
3 and necessary business expenses, yields a realistic damage estimate of \$15,750.00.

4 16. In sum, we estimated that Plaintiff's maximum recovery for the off-the-clock claim,
5 meal period violations, rest period violations, and failure to reimburse business expenses is
6 \$741,896.96 (\$167,454.00 in unpaid overtime + \$150,141.02 for meal period violations +
7 \$361,301.94 for rest break violations + \$63,000.00 for unpaid reimbursements), but after factoring
8 in the risk and uncertainty of prevailing at certification and trial, we estimate that Plaintiff's
9 realistic estimated recovery for the non-penalty claims is \$264,873.00 (\$83,727.00 for unpaid
10 overtime + \$75,070.51 for meal period violations + \$90,325.49 for rest break violations +
11 \$15,750.00 for unpaid reimbursements).

12 17. Derivative and PAGA Penalties: With respect to Plaintiff's claims for statutory and
13 civil penalties, Plaintiff estimates that Defendant's realistic potential liability is \$264,873.00.
14 While Defendant's maximum potential liability for waiting time penalties is \$1,033,217.70
15 (assuming 30 days per terminated employee at 8.6 hours per day, based on the average hours per
16 shift), \$86,300.00 for inaccurate wage statements (based on \$50 for the first violations and \$100
17 for subsequent violations, with a \$4,000 employee maximum), and \$252,700.00 for PAGA
18 violations based on the Court assessing a \$100 penalty for initial violations for all 2,527 PAGA
19 Pay Periods within the one-year statute, we believe that it would be unrealistic to expect the Court
20 to award the full \$1,372,217.70 in penalties given Defendant's defenses, the contested nature of
21 Plaintiff's claims, and the discretionary nature of penalties. Considering that the underlying claims
22 are realistically estimated to be \$264,873.00, such a disproportionate award would also raise due
23 process concerns. Weighing these factors and applying a discount of 80% to account for the risk
24 and uncertainty of prevailing at trial, we arrived at \$274,443.54 for statutory and civil penalties.

25 18. Using these estimated figures, Plaintiff predicted that the realistic maximum
26 recovery for all claims, including penalties, would be **\$539,316.54** (\$264,873.00 in damages for
27 violations + \$274,443.54 in statutory and civil penalties). This means that the \$252,000.00
28 settlement figure represents **46.73%** of the realistic maximum recovery (\$252,000.00 /

1 \$539,316.54 = 46.73%). Considering the risk and uncertainty of prevailing at class certification
2 and at trial, this is an excellent result for the Class. Indeed, because of the proposed Settlement,
3 Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable
4 judgment.

5 **Plaintiff's Counsel's Qualifications**

6 19. Plaintiff is represented by WLF. The attorneys at WLF performed significant work
7 and expended litigation costs in prosecuting this matter with no guarantee of payment.

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

13 21. WLF is qualified to handle this Litigation because its attorneys are experienced in
14 litigating Labor Code violations in both individual, class action, and representative action cases.
15 WLF has handled, and is currently handling, numerous wage and hour class action lawsuits, as
16 well as class actions involving consumer rights and data privacy litigation.

17 22. I graduated from the University of California, Santa Barbara with High Honors in
18 1991 with Bachelor of Arts degrees in Psychology. I received my Juris Doctor from UCLA Law
19 School in 1996.

20 23. Upon graduating from law school in 1996, I worked for a boutique law firm
21 practicing general litigation which included employment law matters. Since 2000 (that is, the last
22 25 years) my practice has been exclusively focused on labor and employment matters including
23 handling wage and hour class, collective and representative actions (including the California
24 Private Attorneys General Act, or "PAGA"), including in the international law firms of Morgan,
25 Lewis & Bockius LLP (where I was a senior associate), Foley & Lardner LLP (where I was a
26 partner and a national Vice Chair of the Labor and Employment Group), Norton Rose Fulbright
27 LLP (where I was a partner) and Seyfarth Shaw (where I was a partner and member of the Wage
28 and Hour Practice Group). During my time at these law firms, I was the primary attorney or took

1 a major leading role in defending employers on numerous wage and hour class, collective and
2 representative actions.

3 24. In late June 2022, I left Seyfarth Shaw and joined my current firm, The Wilshire
4 Law Firm, PLC, to represent plaintiff employees. I have been and am handling many wage and
5 hour class and representative actions litigating such matters on behalf of plaintiff employees in
6 numerous Superior Courts and District Courts. From matters representing both plaintiffs and
7 defendants, I have successfully mediated the resolution of many wage and hour class, collective,
8 and representative actions. Just since starting to settle cases in late April 2023 I have already
9 successfully mediated matters in which I have been counsel or co-counsel resulting in nearly \$85
10 million in settlements which are in the process of being finalized, and with numerous upcoming
11 mediations scheduled. In those and numerous other matters, I have managed and assisted with the
12 litigation and settlement of many wage and hour PAGA and class actions. In those actions, I
13 performed similar tasks as those performed in the course of prosecuting this action.

14 25. I have received numerous awards for my legal work. For example, from 2015 to
15 2018, I was listed in Los Angeles Super Lawyers for Employment Litigation (Thomson Reuters).
16 have also served on numerous prominent boards and in other leadership positions, including
17 currently serving as Southern California Regional President for the Hispanic National Bar
18 Association and on the board of directors of the Mexican American Bar Foundation. I also
19 previously served on the 5-member Los Angeles Civil Service Commission, which generally
20 oversees the personnel decisions for the City of Angeles.

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

28 27. Samantha A. Smith is a Senior Attorney at WLF where her practice is focused on

managing wage and hour class action and PAGA settlements. Ms. Smith was admitted to the California Bar in December of 2004, and received a J.D. from University of California, Hastings College of the Law and a B.A. from University of California, Davis. Ms. Smith has dedicated her 21-year career to plaintiffs'-side class action litigation. Her wealth of experience includes successful work on all stages of class action litigation, including class action appeals, class certification motions, and class settlements. See, e.g., *Blue Diamond Growers Product Labeling Cases*, JCCP No. 4822 (Los Angeles County Superior Court) (false advertising of Blue Diamond food products); *Adam vs. eHealth, Inc.*, Case No. 17CV309050 (Santa Clara Superior Court) (employee data breach); *Overton v. Armour-Eckrich Meats, LLC*, Case No. CIVDS1501325 (San Bernardino County Superior Court) (unpaid wages, meal period and rest break claims, and PAGA violations for nonexempt employees); *DeLeon et al. v. Westlake Services, LLC*, Case No. BC 526750 (Los Angeles County Superior Court) (unpaid overtime, meal period and rest break claims for call center employees); *Sawyer v. Retail Data, LLC*, Case No. 30-2014-00753767-CU-OE-CXC (Orange County Superior Court) (unpaid wage and rest break claims for piece rate workers); *Nguyen v. Pharmerica Corporation et al.*, Case No. 30-2014-00716072-CU-OE-CXC (Orange County Superior Court) (unpaid wages and unreimbursed expenses for pharmacists); *Laumea v. Performance Food Group, Inc.*, Case No. CIVDS1407509 (San Bernardino Superior Court) (unpaid wages, meal and rest break claims for non-exempt employees); *Durroh v. East West Bank*, Case No. BC528860 (Los Angeles Superior Court) (overtime claims for failure to include bonuses in regular rate of pay for bank workers); *Gonzalez et al. v. SFFI Company, Inc. et al.*, Case No. CIVDS1504287 (San Bernardino Superior Court) (unpaid wages, meal period and rest break claims for non-exempt employees).

28. Jeffrey C. Bils is a Senior Attorney at WLF. He graduated from the University of Wisconsin-Madison with a Bachelor of Arts in Journalism and German, and received his Juris Doctor from the University of California, Los Angeles School of Law in 2014. During law school, Mr. Bils was a senior editor on the UCLA Law Review and an articles editor on the entertainment law review. Mr. Bils served as a judicial extern for the Hon. Consuelo Bland Marshall of the United States District Court for the Central District of California, and for the Hon. Sandra R. Klein of the

United States Bankruptcy Court for the Central District of California. He graduated 7th in his graduating class in law school and was admitted to practice law in the State of California the same year. Since graduating from law school, Mr. Bils has focused his legal work primarily on employment matters, including wage and hour class and representative action litigation, and has helped obtain dozens of settlements on behalf of employees, as well as on behalf of employers during his years practicing employment defense. He is a member of the Beverly Hills Bar Association, where he currently serves as a member of the Board of Governors and is a past Chair of the Labor & Employment Law Section Executive Committee. Mr. Bils is also a member of the California Employment Lawyers Association.

29. Aram Boyadjian is an associate attorney at WLF. Mr. Boyadjian graduated from the University of California, Los Angeles with a Bachelor of Arts in Political Science. He received his Juris Doctor from Loyola Law School. During law school, he was a member of the student editorial board for the International and Comparative Law Review. Since being admitted to practice law in California in January 2021, his practice has mainly been focused on wage and hour class action litigation.

30. Andrew Sandoval is an associate attorney at WLF. Mr. Sandoval graduated from Azusa Pacific University with a Bachelor of Arts in Economics. He received his Juris Doctor from Loyola Law School. During law school, he was a Vice-President of La Raza de Loyola. Since being admitted to practice law in California in 2022, his practice has mainly been focused on wage and hour class action litigation.

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

Executed on February 20, 2025 at Los Angeles, California.



John G. Yslas

EXHIBIT 1

1 John G. Yslas (SBN 187324)
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9 Attorneys for Plaintiff John Margaritis, Jr., individually
and on behalf of others similarly situated

10 [ADDITIONAL COUNSEL ON FOLLOWING PAGE]

11
12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
13 **FOR THE COUNTY OF LOS ANGELES**

14 JOHN MARGARITIS, JR., individually, and
15 on behalf of all others similarly situated,

16 Plaintiff,

17 vs.

18 CURTIN MARITIME CORP., a California
19 corporation; and DOES 1 through 10,
inclusive,

20 Defendants.

Lead Case No. 23STCV31826

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

*Assigned for all purposes to: Hon. Stuart M.
Rice, Dept. 1*

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8 Attorneys for Defendant Curtin Maritime Corp.
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1 This Class Action and PAGA Settlement Agreement (“Agreement”) is made by and between
2 Plaintiff John Margaritis, Jr. (“Plaintiff”) and Defendant Curtin Maritime Corporation
3 (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or
4 individually as “Party.”

5 1. **DEFINITIONS.**

6 1.1 “Actions” means Plaintiff’s lawsuits alleging class action wage and hour violations
7 against Defendant captioned *John Margaritis, Jr. v. Curtin Maritime Corp.*, Los Angeles County
8 Superior Court, Case No. 23STCV31826, filed on December 29, 2023 (“Class Action”) and Case
9 No. 24LBCV00623, filed on March 28, 2024 (“PAGA Action”).

10 1.2 “Administrator” means Apex Class Action Administration, the neutral entity the Parties
11 have agreed to appoint to administer the Settlement.

12 1.3 “Administration Costs” means the amount the Administrator will be paid from the Gross
13 Settlement Amount to reimburse its reasonable fees and expenses in accordance with the
14 Administrator’s “not to exceed” bid submitted to the Court in connection with Preliminary
15 Approval of the Settlement.

16 1.4 “Aggrieved Employee” means all current and former hourly, non-exempt employees
17 with job title “Labor” who were employed by Defendant, either directly or through any
18 predecessor, successor, assign, subsidiary, staffing agency, or professional employer
19 organization, in the State of California during the PAGA Period.

20 1.5 “Class” means all current and former hourly, non-exempt employees with job title
21 “Labor” who were employed by Defendant, either directly or through any predecessor, successor,
22 assign, subsidiary, staffing agency, or professional employer organization, in the State of
23 California during the Class Period.

24 1.6 “Class Counsel” means John G. Yslas, Samanta A. Smith, Jeffrey C. Bils, Aram
25 Boyadjian and Andrew Sandoval of Wilshire Law Firm, PLC.

26 1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class
27 Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiff will
28 request approval from the Court of up to one-third (1/3) of the GSA (currently \$84,000.00).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action, not to exceed \$20,000.00, and paid from the Gross Settlement Amount.

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

1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

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

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from June 4, 2019 through the day the Court grants preliminary approval of the Settlement (“Settlement Class Period”).

1.14 “Class Representative(s)” means the named Plaintiff John Margaritis, Jr. in the Actions.

1.15 “Class Representative Service Payment(s)” or “Enhancement Award(s)” means the payment to the Class Representatives for initiating the Actions and providing services in support of the Action.

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

1.17 “Defendant” means named Defendant Curtin Maritime Corporation.

1.18 “Defense Counsel” means Collin D. Cook, Usama Kahf, Kari E. Gibson and Jacob P. Waschak of Fisher & Phillips, LLP.

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

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

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

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

1.23 “Gross Settlement Amount” or “GSA” means \$252,000.00, which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 9 below.

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

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

1.26 “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.27 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.28 “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.29 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties payment, Enhancement, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration

Costs Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

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

1.31 “Operative Class Complaint” means the operative class action complaint filed in the Class Action.

1.32 “Operative PAGA Complaint” means the operative PAGA complaint filed in the PAGA Action.

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

1.34 “PAGA Period” means the period from January 24, 2023 through the day the Court grants preliminary approval of the Settlement.

1.35 “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).

1.36 “PAGA Notice” means Plaintiff’s January 24, 2024 letter (LWDA-CM-1007080-24) to the LWDA and Defendant providing notice pursuant to Labor Code section 2699.3, subd.(a).

1.37 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount (\$15,000.00), allocated 25% to the Aggrieved Employees (\$3,750.00) and 75% to LWDA (\$11,250.00) in settlement of PAGA claims.

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

1.39 “Plaintiff” means John Margaritis, Jr., the named plaintiff in the Actions.

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

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

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

1.43 “Released Parties” means Defendant and Defendant’s parents, subsidiaries, affiliates, insurers, related entities and divisions, and each of their respective: (i) predecessors, successors, and assigns, and (ii) current and former agents, heirs, executors, administrators, principals, officers, directors, shareholders, employees, founders, members, assigns, insurers, attorneys, and all others claiming through or by any of them.

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

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

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

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

2. **RECITALS.**

2.1 On December 29, 2023, Plaintiff filed the Class Action alleging Defendant (1) failed to pay minimum and straight time wages; (2) failed to pay overtime wages; (3) failed to provide meal periods; (4) failed to authorize and permit rest periods; (5) failed to timely pay final wages at termination; (6) failed to provide accurate itemized wage statements; (7) failed to indemnify employees for expenditures; (8) failed to produce requested employment records; and (9) violated California’s Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* On January 24, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff gave notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1007080-24). On March 28, 2024, after the 65-day statutory period passed, Plaintiff filed the PAGA Action, alleging claims for penalties pursuant to Labor Code § 2699, *et*

1 seq. On September 5, 2024, the Class Action and the PAGA action were related, with the Class
2 Action designated as the lead case.

3 2.2 Defendant denies the allegations in the Actions, denies any failure to comply with the
4 laws identified in the Actions, and denies any and all liability for the causes of action alleged in
5 the Actions.

6 2.3 On November 18, 2024, the Parties participated in an all-day mediation presided over
7 by mediator Daniel Turner. With the help of Mr. Turner, the Parties were able to reach an
8 agreement on general settlement terms at mediation and executed a Memorandum of
9 Understanding thereafter.

10 2.4 In advance of mediation, Class Counsel conducted a thorough investigation into the facts
11 of, and applicable law to, the Actions. Prior to mediation, Plaintiff obtained and analyzed a
12 representative sampling of time and payroll data for Class Members and the necessary policy
13 documents through informal discovery to properly evaluate the strengths and weakness of the
14 claims and engage in meaningful settlement discussions. Plaintiff's investigation was sufficient
15 to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.*, 48
16 Cal.App.4th 1794, 1801 (1996) and *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 129-
17 130 (2008) ("*Dunk/Kullar*").

18 2.5 The Court has not granted class certification because the Parties engaged in mediation
19 before any class certification.

20 2.6 The Parties, Class Counsel and Defense Counsel represent that they are not aware of any
21 other pending matter or action asserting claims that will be extinguished or affected by the
22 Settlement.

23 3. **MONETARY TERMS.**

24 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below,
25 Defendant will pay \$252,000.00 to fully settle, resolve, and extinguish all claims asserted in the
26 Actions, including without limitation all claims asserted in the PAGA Notice. The Gross
27 Settlement Amount is non-reversionary and does not include employer payroll taxes owed on the
28 wage portions of the Individual Class Payments, which Defendant will pay separately.

1 3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct
2 the following payments from the Gross Settlement Amount, in the amounts specified by the Court
3 in the Final Approval:

4 3.2.1 To Plaintiff: A payment for the Enhancement Award to Plaintiff of not more than
5 \$7,500.00 in addition to any Individual Class Payment and any Individual PAGA Payment the
6 Class Representative is entitled to receive as a Participating Class Member. Defendant will not
7 oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part
8 of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiff will seek
9 Court approval for any Enhancement Award no later than 16 (sixteen) court days prior to the
10 Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves an
11 Enhancement Award less than the amount requested, the Administrator will retain the remainder
12 in the Net Settlement Amount to be distributed to Participating Class Members. The
13 Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiff assumes full
14 responsibility and liability for employee taxes owed on the Enhancement Award.

15 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third (1/3)
16 of the GSA, which is currently estimated to be \$84,000.00 and a Class Counsel Litigation
17 Expenses Payment for actual costs. Defendant will not oppose requests for these payments.
18 Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses
19 Payment no later than 16 (sixteen) court days prior to the Final Approval Hearing, or as otherwise
20 ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel
21 Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the
22 remainder to the Net Settlement Amount for distribution to Participating Class Members.
23 Released Parties shall have no liability to Class Counsel or any other Plaintiff's counsel arising
24 from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation
25 Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class
26 Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full
27 responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class
28

Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment for actual costs, not to exceed \$8,490.00 except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members.

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

3.2.4.1 Tax Allocation of Individual Class Payments. Fifteen percent (15%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty-five percent (85%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.

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

3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of \$15,000.00 (fifteen thousand dollars) to be paid from the Gross Settlement Amount, with 75% (\$11,250.00) allocated to the LWDA PAGA Payment and 25% (\$3,750.00) allocated to the Individual PAGA Payments.

3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$3,750.00) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its records, Defendant represents there are 350 Class Members who collectively worked a total of 6,300 workweeks during the Class Period.

4.2 Class Data. Not later than seven (7) days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

1 4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement
2 Amount and the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting
3 the funds to the Administrator no later than 30 (thirty) calendar days after the Effective Date.

4 4.4 Payments from the Gross Settlement Amount. Within seven (7) days after Defendant
5 fully funds the GSA, the Administrator will mail checks for all Individual Class Payments, all
6 Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the
7 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the
8 Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel
9 Litigation Expenses Payment, and the Enhancement Award shall not precede disbursement of
10 Individual Class Payments and Individual PAGA Payments.

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

23 4.4.2 The Administrator must conduct a Class Member Address Search for all other Class
24 Members whose checks are returned undelivered without USPS forwarding address. Within seven
25 (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS
26 forwarding address provided or to an address ascertained through the Class Member Address
27 Search. The Administrator need not take further steps to deliver checks to Class Members whose
28 re-mailed checks are returned as undelivered. The Administrator shall promptly send a

1 replacement check to any Class Member whose original check was lost or misplaced, requested
2 by the Class Member prior to the void date.

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

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

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

15 5.1 **Plaintiff's Release.** Plaintiff discharges Released Parties from all claims,
16 transactions, or occurrences, that occurred during the Class Period, including all claims that were,
17 or reasonably could have been, alleged, based on the facts contained in the Actions; and claims
18 under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the
19 Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law
20 ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions to enforce this
21 Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits,
22 social security benefits, workers' compensation benefits that arose at any time, or based on
23 occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or
24 law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be
25 true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects,
26 notwithstanding such different or additional facts or Plaintiff's discovery of them.

1 5.1.1 Plaintiff's Waiver of Rights Under California Civil Code Section 1542. For
2 purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights,
3 and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

8 5.2 Released Class Claims: All Participating Class Members will waive and release all
9 claims asserted in the complaint filed in the Class Action or that could have been based on the
10 factual allegations asserted in the complaint filed in the Class Action during the Class Period
11 against Releasees (defined below), including but not limited to claims arising from alleged: (a)
12 failure to pay all minimum wages owed; (b) failure to pay all overtime and/or double time wages
13 owed; (c) failure to provide compliant meal periods, or premium pay for non-compliant meal
14 periods; (d) failure to authorize and permit complaint rest periods, or premium pay for non-
15 complaint rest periods; (e) failure to timely pay wages during employment and/or upon separation
16 of employment; (f) failure to provide accurate, itemized wage statements; (g) failure to reimburse
17 for all necessary business expenses; (h) failure to produce requested employment records, (i)
18 unfair competition, (j) and all other claims that have been asserted or could have been premised
19 on the facts, claims, causes of action or legal theories described above and in the Class Action
20 complaint (collectively the "Released Class Claims").

21 5.3 Released PAGA Claims: The claims released by Aggrieved Employees, including Non-
22 Participating Class Members who are Aggrieved Employees, are all claims for civil penalties
23 under PAGA arising during the PAGA Period that were alleged in Plaintiff's PAGA Notice to the
24 LWDA and the complaint filed in the PAGA Action, or that could have been based on the facts
25 asserted in the PAGA Notice and the complaint filed in the PAGA Action against Released
26 Parties, including but not limited to claims arising from alleged: (a) failure to pay all minimum
27 wages owed; (b) failure to pay all overtime and/or double time wages owed; (c) failure to provide
28 compliant meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize

1 and permit complaint rest periods, or premium pay for non-complaint rest periods; (e) failure to
2 timely pay wages during employment and/or upon separation of employment; (f) failure to
3 provide accurate, itemized wage statements; (g) failure to reimburse for all necessary business
4 expenses; (h) failure to produce requested employment records, (i) all claims for PAGA penalties
5 that could have been premised on the facts, claims, causes of action or legal theories described
6 above; and (j) all other claims under PAGA that have been asserted or could have been premised
7 on the facts, claims, causes of action or legal theories described above and in the PAGA Action
8 complaint, or Plaintiff's PAGA Notice (collectively the "Released PAGA Claims").

9 6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiff will prepare and file a motion for
10 preliminary approval ("Motion for Preliminary Approval").

11 6.1 **Plaintiff's Responsibilities**. Plaintiff will prepare all documents necessary for obtaining
12 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the
13 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
14 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2));
15 (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;
16 (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiff confirming willingness
17 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of
18 interest with Class Members, and/or the Administrator; (v) a signed declaration from Class
19 Counsel firm attesting to its competency to represent the Class Members; its timely transmission
20 to the LWDA of this Agreement (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant
21 to any actual or potential conflict of interest with Class Members, and/or the Administrator. In
22 their Declarations, Plaintiff and Class Counsel shall aver that they are not aware of any other
23 pending matter or action asserting claims that will be extinguished or adversely affected by the
24 Settlement.

25 6.2 **Responsibilities of Counsel**. Class Counsel and Defense Counsel are jointly responsible
26 for expeditiously finalizing the Motion for Preliminary Approval. Class Counsel will obtain a
27 prompt hearing date for the Motion for Preliminary Approval, file the Motion for Preliminary
28

Approval no later than 16 (sixteen) court days before the hearing, unless otherwise ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

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

7. SETTLEMENT ADMINISTRATION.

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

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

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

7.4 Notice to Class Members.

1 7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator
2 shall notify Class Counsel that the list has been received and state the number of Class Members,
3 Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

4 7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14
5 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members
6 identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class
7 Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit
8 A. The first page of the Class Notice shall prominently estimate the dollar amounts of any
9 Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and
10 the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before
11 mailing Class Notices, the Administrator shall update Class Member addresses using the National
12 Change of Address database.

13 7.4.3 Not later than five (5) calendar days after the Administrator’s receipt of any Class
14 Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice
15 using any forwarding address provided by the USPS. If the USPS does not provide a forwarding
16 address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class
17 Notice to the most current address obtained. The Administrator has no obligation to make further
18 attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the
19 USPS a second time.

20 7.4.4 The deadlines for Class Members’ written objections, challenges to Workweeks
21 and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen days (14)
22 days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members
23 whose notice is re-mailed. The Administrator will inform the Class Member of the extended
24 deadline with the re-mailed Class Notice.

25 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
26 discovers any persons who believe they should have been included in the Class Data and should
27 have received Class Notice, the Parties will expeditiously meet and confer in person or by
28 telephone, and in good faith in an effort to agree on whether to include them as Class Members.

1 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
2 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
3 requiring them to exercise options under this Agreement not later than 14 (fourteen) days after
4 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

5 7.5 Requests for Exclusion (Opt-Outs).

6 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
7 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
8 later than 45 (forty-five) days after the Administrator mails the Class Notice (plus an additional
9 14 (fourteen) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
10 is a letter from a Class Member or his/her representative that reasonably communicates the Class
11 Member's election to be excluded from the Settlement and includes the Class Member's name,
12 address and email address or telephone number. To be valid, a Request for Exclusion must be
13 timely faxed, emailed, or postmarked by the Response Deadline.

14 7.5.2 The Administrator may not reject a Request for Exclusion as invalid because it fails
15 to contain all the information specified in the Class Notice. The Administrator shall accept any
16 Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the
17 person as a Class Member and the Class Member's desire to be excluded. The Administrator's
18 determination shall be final and not appealable or otherwise susceptible to challenge. If the
19 Administrator has reason to question the authenticity of a Request for Exclusion, the
20 Administrator may demand additional proof of the Class Member's identity. The Administrator's
21 determination of authenticity shall be final and not appealable or otherwise susceptible to
22 challenge.

23 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
24 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and
25 bound by all terms and conditions of the Settlement, including the Participating Class Members'
26 Releases under paragraphs 5.2 and 5.3 of this Agreement, regardless of whether the Participating
27 Class Member actually receives the Class Notice or objects to the Settlement.

1 7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a
2 Non-Participating Class Member and shall not receive an Individual Class Payment or have the
3 right to object to the class action components of the Settlement. Because future PAGA claims are
4 subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who
5 are Aggrieved Employees are deemed to release the Released PAGA Claims identified in
6 Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7 7.6 Challenges to Calculation of Workweeks. Each Class Member shall have 45 (forty-five)
8 days after the Administrator mails the Class Notice (plus an additional 14 (fourteen) days for
9 Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks
10 and PAGA Pay Periods allocated to the Class Member in the Class Notice. The Class Member
11 may challenge the allocation by communicating with the Administrator via fax, email or mail.
12 The Administrator must encourage the challenging Class Member to submit supporting
13 documentation. In the absence of any contrary documentation, the Administrator is entitled to
14 presume that the Workweeks contained in the Class Notice are correct so long as they are
15 consistent with the Class Data. The Administrator's determination of each Class Member's
16 allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise
17 susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the
18 calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the
19 Administrator's determination of the challenges.

20 7.7 Objections to Settlement.

21 7.7.1 Only Participating Class Members may object to the class action components of the
22 Settlement and/or this Agreement, including contesting the fairness of the Settlement, and/or
23 amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses
24 Payment and/or Enhancement Award.

25 7.7.2 Participating Class Members may send written objections to the Administrator, by
26 fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire
27 an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A
28 Participating Class Member who elects to send a written objection to the Administrator must do

so not later than 45 (forty-five) days after the Administrator’s mailing of the Class Notice (plus an additional 14 (fourteen) days for Class Members whose Class Notice was re-mailed).

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

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

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

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

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

of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

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

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

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

8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**. Based on its records, Defendant represents there are 350 Class Members who collectively worked a total of 6,300 Workweeks during the Class Period. Should the Workweeks increase more than 10% (i.e. more than 630 workweeks), Defendant, at its option, can either choose to: (1) increase the GSA on a

proportional basis equal to the percentage increase in number of Workweeks worked by the Class Members above the 10% (for example, if the final number of total workweeks increases by 11%, the GSA will increase 1%); or (2) cut off the end date of the Class Period on the date that the total number of Workweeks reaches 6,930.

9. **DEFENDANT’S RIGHT TO WITHDRAW.** If the valid Requests for Exclusion identified in the Exclusion List represent more than an aggregate total of 10% of Class Members (i.e. more than 35 opt-outs), Defendant may, but is not obligated, to elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point. Defendant must notify Class Counsel and the Court of its election to withdraw not later than 5 (five) business days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

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

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

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

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

6 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
7 Court will retain jurisdiction over the Parties, the Actions, and the Settlement solely for purposes
8 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
9 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

10 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
11 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
12 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
13 counsel, and all Participating Class Members who did not object to the Settlement as provided in
14 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
15 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
16 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
17 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
18 obligations to perform under this Agreement will be suspended until such time as the appeal is
19 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
20 of the Net Settlement Amount.

21 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
22 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
23 modification of this Agreement (including, but not limited to, the scope of release to be granted
24 by Class Members), this Agreement shall be null and void. The Parties shall nevertheless
25 expeditiously work together in good faith to address the appellate court's concerns and to obtain
26 Final Approval and Entry of Judgment, sharing, on a 50-50 basis, any additional Administration
27 Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the
28 Court's award of the Enhancement Award or any payments to Class Counsel shall not constitute

a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

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

12. **ADDITIONAL PROVISIONS.**

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

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

1 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
2 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
3 inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense
4 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
5 communication, before the filing of the Motion for Preliminary Approval, with any third party
6 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
7 “the matter was resolved,” or words to that effect. This paragraph does not restrict Class Counsel’s
8 communications with Class Members in accordance with Class Counsel’s ethical obligations
9 owed to Class Members.

10 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and
11 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
12 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel’s ability
13 to communicate with Class Members in accordance with Defense Counsel’s and Class Counsel’s
14 ethical obligations and Class Counsel’s fiduciary duties owed to Class Members.

15 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
16 together with its attached exhibits shall constitute the entire agreement between the Parties
17 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
18 inducements made to or by any Party.

19 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
20 represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate
21 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
22 its terms, and to execute any other documents reasonably required to effectuate the terms of this
23 Agreement including any amendments to this Agreement.

24 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
25 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
26 Settlement Agreement, submitting supplemental evidence and supplementing points and
27 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
28 or content of any document necessary to implement the Settlement, or on any modification of the

1 Agreement that may become necessary to implement the Settlement, the Parties will seek the
2 assistance of a mediator and/or the Court for resolution.

3 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not
4 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
5 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
6 action, or right released and discharged by the Party in this Settlement.

7 12.8 No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are
8 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
9 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
10 Part 10, as amended) or otherwise.

11 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
12 modified, changed, or waived only by an express written instrument signed by all Parties or their
13 representatives, and approved by the Court.

14 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
15 to the benefit of, the successors of each of the Parties.

16 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
17 governed by and interpreted according to the internal laws of the state of California, without
18 regard to conflict of law principles.

19 12.12 Cooperation in Drafting. The Parties have cooperated in the drafting and preparation
20 of this Agreement. This Agreement will not be construed against any Party on the basis that the
21 Party was the drafter or participated in the drafting.

22 12.13 Confidentiality. To the extent permitted by law, all agreements made, and orders
23 entered during Action and in this Agreement relating to the confidentiality of information shall
24 survive the execution of this Agreement.

25 12.14 Headings. The descriptive heading of any section or paragraph of this Agreement is
26 inserted for convenience of reference only and does not constitute a part of this Agreement.

27 12.15 Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement
28 shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a

weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

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

To Plaintiff:

John G. Yslas
john.yslas@wilshirelawfirm.com
Samantha A. Smith
Samantha.smith@wilshirelawfirm.com
Jeffrey C. Bils
jrbils@wilshirelawfirm.com
Aram Boyadjian
aboyadjian@wilshirelawfirm.com
Andrew Sandoval
andrew.sandoval@wilshirelawfirm.com
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

To Defendant:

Collin D. Cook
ccook@fisherphillips.com
Usama Kahf
ukahf@fisherphillips.com
Kari E. Gibson
kgibson@fisherphillips.com
Jacob P. Waschak
jwaschak@fisherphillips.com
FISHER & PHILLIPS LLP
444 South Flower Street, Suite 1500
Los Angeles, California 90071
Tel: (213) 330-4500 / Fax: (213) 330-4501

12.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed

counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

IT IS SO AGREED.

By the Parties:

DATED: 2/19/2025

Signed by:
JOHN MARGARITIS
F4C4525FEDD24ED...

Plaintiff John Margaritis, Jr.

DATED: _____

Defendant Curtin Maritime Corp.

By: _____

Position: _____

Approved by counsel:

DATED: 2/18/25

WILSHIRE LAW FIRM

BY:  _____

John G. Yslas

Counsel for Plaintiff John Margaritis, Jr.

counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

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IT IS SO AGREED.

By the Parties:

DATED: _____

Plaintiff John Margaritis, Jr.

DATED: February 20, 2025

Defendant Curtin Maritime Corp.

By: Martin Curtin, Jr.

Position: CEO/President

Approved by counsel:

DATED:

WILSHIRE LAW FIRM

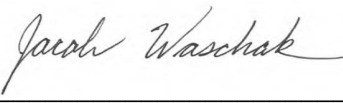
BY: _____

John G. Yslas

Counsel for Plaintiff John Margaritis, Jr.

1 DATED: February 18, 2025

FISHER & PHILLIPS, LLP

2 

3 BY: _____

4 Jacob Waschak

5 Counsel for Curtin Maritime Corp.

EXHIBIT A

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

*John Margaritis, Jr. v. Curtin Maritime Corp.,
Los Angeles County Superior Court, Case Nos. 23STCV31826 (lead), 24LBCV00623*

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

You may be eligible to receive money from employee class and representative action lawsuits (“Actions”) against Curtin Maritime Corporation (“Defendant”) for alleged wage and hour violations. The Actions were filed by former employee, John Margaritis, Jr., and seeks (1) payment of unpaid wages and other relief for a class of non-exempt or hourly-paid employees (“Class Members”) who worked for Defendant during the Class Period (June 4, 2019 to XXXX); and (2) penalties under the California Private Attorney General Act (“PAGA”) for all Class Members who worked for Defendant during the PAGA Period (January 24, 2023 to XXXX) (“Aggrieved Employees”).

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

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

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

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

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	Receive money. Give up rights to sue Defendant for claims released in the Settlement.
EXCLUDE YOURSELF	Receive no money from the Class settlement. You will retain the right to pursue your own legal claims against Defendant. However, even if you exclude yourself from the Class settlement, you will still receive a portion of the PAGA settlement and be bound by it if you worked during the PAGA Period.
OBJECT	Write to the Court about why you object to the Settlement. If the Settlement receives Final Approval, you will receive money and give up rights to sue Defendant for claims released in the Settlement.
CHALLENGE YOUR NUMBER OF WORKWEEKS AND/OR PAY PERIODS	Challenge your number of Workweeks or Pay Periods listed in this Notice and provide supporting evidence. If you challenge your workweeks or pay periods, you will still be part of the Settlement and will give up rights to sue Defendant for claims released in the Settlement.

BASIC INFORMATION

1. WHY AM I RECEIVING THIS NOTICE?

Defendant's records indicate that you worked for Defendant Curtin Maritime Corporation at some point(s) between June 4, 2019 through XXXX, and are therefore a member of the Class for purposes of this Settlement.

You received this Notice because you have a right to know about a proposed Settlement of the Action, and about all of your options, before the Court decides whether to finally approve the Settlement. The Settlement will resolve all Class Members' claims, which are described below, during the Class Period. The Settlement will also resolve claims for civil penalties brought under the California Private Attorneys' General Act ("PAGA"). If you are a Class Member, you are also an "Aggrieved Employee" if you worked for Defendant during the "PAGA Period," which is January 24, 2023 through XXXX.

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

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

The Court in charge of the Action is the Los Angeles County Superior Court. The case is titled *John Margaritis, Jr. v. Curtin Maritime Corp.*, Case Nos. 23STCV31826 (lead), 24LBCV00623 filed in Los Angeles County Superior Court. The person who sued, John Margaritis, Jr., is the Plaintiff, and the company sued, Curtin Maritime Corporation, is the Defendant.

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

2. WHAT IS THE LAWSUIT ABOUT?

The Plaintiff in the lawsuits alleges wage and hour violations against Defendant for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods and pay meal period premiums; (4) failure to provide rest periods and pay miss rest period premiums; (5) failure to pay all wages earned and unpaid at separation; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify all necessary business expenditures; (8) failure to produce employment records; (9) violation of California's Unfair Competition Law, California Business and Professions Code section 17200, *et seq.* In addition, Plaintiff is seeking to recover civil penalties pursuant to PAGA ("PAGA Penalties") based on the alleged violations of the California Labor Code listed above. Defendant denies Plaintiff's claims and denies any wrongdoing.

3. WHY IS THIS A CLASS ACTION?

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

4. WHY IS THERE A SETTLEMENT?

The Court did not decide in favor of the Plaintiff or Defendant on the merits of the claims alleged in the lawsuit. Plaintiff believes Plaintiff would win at trial. Defendant thinks that Plaintiff's lawsuit would not proceed to a trial and/or that Plaintiff would not win at trial. However, there has been no trial. Instead, in acknowledgement of the risk that both Parties face should the case proceed, the Parties have agreed to a negotiated settlement. This way, all Parties avoid the cost of preparing for and conducting a trial, the risk of losing the right to a trial, and the workers affected by the alleged violations receive compensation. The Settlement represents a compromise and settlement of highly disputed claims. The Plaintiff, as well as Plaintiff's lawyers (called "Class Counsel"), believe the Settlement is fair and reasonable and in the best interests of all Class Members.

WHO IS INCLUDED IN THE SETTLEMENT?

5. WHO IS INCLUDED IN THE SETTLEMENT?

If you received this Notice, you are a Class Member for settlement purposes. The Class includes: all current and former hourly, non-exempt employees with job title "Labor" who were employed by Defendant, either directly or through any predecessor, successor, assign, subsidiary, staffing agency, or professional employer organization, in State of California at any time from June 4, 2019 through XXXX.

6. ARE THERE EXCEPTIONS TO BEING INCLUDED?

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

THE SETTLEMENT BENEFITS—WHAT YOU GET

7. WHAT DOES THE SETTLEMENT PROVIDE?

Defendant has agreed to pay a Gross Settlement Amount (“GSA”) of \$252,000.00 to settle the lawsuit. From the GSA, Class Counsel will apply to the Court for attorneys’ fees of one-third of the GSA or \$84,000.00 and reimbursement for reasonable costs; Enhancement Award of \$7,500.00 to the Plaintiff (for Plaintiff’s work and efforts prosecuting this case); a PAGA Penalties payment of \$15,000.00 to resolve the PAGA claims; and Settlement Administration Costs to Apex Class Action Administration (“Apex”), not to exceed \$8,490.00. The exact amount of the Class Counsel’s Fees and Litigation Expenses, Class Representative Service Payment, and Administration Costs will be determined by the Court at the Final Approval hearing. The remaining portion of the Settlement amount, the “Net Settlement Amount” or the “NSA,” is currently estimated to be approximately \$137,010.00. The NSA will be apportioned and paid out as Individual Class Payments to the Settlement Class Members, who are the Class Members that do not request to be excluded (“opt out”) of the Settlement.

PAGA Penalties payment: As part of the PAGA portion of the Settlement, the Parties will ask the Court to approve a \$15,000.00 PAGA Penalties payment in settlement of claims for civil penalties under PAGA. As required under PAGA, 75% of the PAGA Penalties payment, or \$11,250.00, will be paid to the California Labor and Workforce Development Agency. The remaining 25% of the PAGA Penalties payment, or \$3,750.00, will be distributed to the Aggrieved Employees as Individual PAGA Payments.

8. HOW MUCH WILL MY PAYMENT BE?

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

Individual Class Payment: Your Individual Class Payment is based on the number Workweeks you worked, as represented in Defendant’s records, in comparison to the total number of Workweeks worked by all Class Members during the Class Period (June 4, 2019 to XXXX). Eighty-five percent (85%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of the alleged claims for penalties and interest and will be reported on a Form 1099 by the Settlement Administrator, and fifteen percent (15%) of each Class Member’s Individual Class Payment will be treated as a payment in settlement of alleged claims for unpaid wages. The 10% allocated as unpaid wages will be reduced by applicable payroll tax withholdings and deductions and reported on a Form W-2.

Individual PAGA Payment: If you worked for Defendant from January 24, 2023 to XXXX (“PAGA Period”), you are also an “Aggrieved Employee” and will receive an Individual PAGA Payment in addition to your Individual Class Payment. The Individual PAGA Payments are based on the number of PAGA Pay Periods worked by each Aggrieved Employee in comparison to the total amount of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period. One hundred percent (100%) of each Aggrieved Employees’ Individual PAGA Payment will be characterized as penalties and will not be reduced by payroll tax withholdings and deductions. The Individual PAGA Payment will be reported on a Form 1099 by the Settlement Administrator. An approximation of your anticipated Individual PAGA Payment appears on the first page of this Notice.

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

HOW YOU GET A PAYMENT

9. HOW DO I RECEIVE A PAYMENT?

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

10. WHEN WOULD I GET MY PAYMENT?

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

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

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

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

11. WHAT AM I GIVING UP TO GET A PAYMENT?

If the Court approves this Settlement and unless you exclude yourself, you will become a Participating Class Member, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Defendant concerning the legal claims being resolved in this Settlement. Specifically, you will be giving up or "releasing" the Released Class Claims described below against Defendant and all of Defendant's parents, successors and affiliates ("Released Parties"). The releases become effective once the GSA is fully funded by Defendant.

Released Class Claims: The "Released Class Claims" shall include all claims asserted in the complaint filed in the Class Action or that could have been based on the factual allegations asserted in the complaint filed in the Class Action during the Class Period against Releasees (defined below), including but not

limited to claims arising from alleged: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime and/or double time wages owed; (c) failure to provide compliant meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit complaint rest periods, or premium pay for non-complaint rest periods; (e) failure to timely pay wages during employment and/or upon separation of employment; (f) failure to provide accurate, itemized wage statements; (g) failure to reimburse for all necessary business expenses; (h) failure to produce requested employment records, (i) unfair competition, (j) and all other claims that have been asserted or could have been premised on the facts, claims, causes of action or legal theories described above and in the Class Action complaint.

Released PAGA Claims: If you are an Aggrieved Employee (i.e. if you worked for Defendant during the PAGA Period), you will also release all claims for civil penalties under PAGA arising during the PAGA Period that were alleged in Plaintiff's PAGA Notice to the LWDA and the complaint filed in the PAGA Action, or that could have been based on the facts asserted in the PAGA Notice and the complaint filed in the PAGA Action against Released Parties, including but not limited to claims arising from alleged: (a) failure to pay all minimum wages owed; (b) failure to pay all overtime and/or double time wages owed; (c) failure to provide compliant meal periods, or premium pay for non-compliant meal periods; (d) failure to authorize and permit complaint rest periods, or premium pay for non-complaint rest periods; (e) failure to timely pay wages during employment and/or upon separation of employment; (f) failure to provide accurate, itemized wage statements; (g) failure to reimburse for all necessary business expenses; (h) failure to produce requested employment records, (i) all claims for PAGA penalties that could have been premised on the facts, claims, causes of action or legal theories described above; and (j) all other claims under PAGA that have been asserted or could have been premised on the facts, claims, causes of action or legal theories described above and in the PAGA Action complaint, or Plaintiff's PAGA Notice.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

To exclude yourself from the Settlement, you must send the Settlement Administrator a written and signed request for exclusion which must be postmarked no later than [45 days after Class Notice is Mailed]. Be sure to include your name, address, and telephone number, and any other information you think would be helpful to the settlement Administrator to identify you. You can send your request for exclusion to the settlement Administrator at:

Apex Class Action Administration
Curtin Maritime Corp. Settlement
XXXXX
City, State, XXXXX
Email:
Fax:

If you ask to be excluded from the Settlement, you will not be legally bound by anything that happens in the Action, except as it relates to settlement of the PAGA claim. If you ask to be excluded from the Settlement you will not be able to object to the Settlement and you will not receive an Individual Class Payment, but you will still receive an Individual PAGA Payment if you worked for Defendant during the PAGA Period (January 24, 2023 through XXXX). If you ask to be excluded, you may be able to sue (or continue to sue) Defendant in the future.

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

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

No. Unless you exclude yourself, you give up any right to sue Defendant for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is [45 days after Class Notice is Mailed].

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

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

THE LAWYERS REPRESENTING YOU IN THIS LAWSUIT

15. DO I HAVE A LAWYER IN THIS CASE?

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

John G. Yslas
john.yslas@wilshirelawfirm.com
Samantha A. Smith
Samantha.smith@wilshirelawfirm.com
Jeffrey C. Bills
jbills@wilshirelawfirm.com
Aram Boyadjian
aboyadjian@wilshirelawfirm.com
Andrew Sandoval
andrew.sandoval@wilshirelawfirm.com
WILSHIRE LAW FIRM
3055 Wilshire Blvd., 12th Floor
Los Angeles, California 90010
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

16. HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to approve \$84,000.00 (or 1/3 of the GSA) for attorneys' fees incurred in investigating the facts, litigating the case, and negotiating the Settlement. Class Counsel will also seek Court-approval of [AMOUNT] in litigation expenses incurred in this matter. The Court may award Class Counsel less than what they request. Class Counsel will also ask the Court to approve a payment to Plaintiff John Margaritis, Jr. in the amount of \$7,500.00 in addition to Plaintiff's Individual Class Payment and Individual PAGA Payment for the initiative, risk, and time and energy Plaintiff has spent in service to the Class as the Class Representative. The Court may award a Class Representative less than what is requested.

OBJECTING TO THE SETTLEMENT

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

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

If you don't think the Settlement is fair, you can object to some or all of the Settlement. You can either object to the Settlement in person at the Final Approval Hearing or you can submit a written objection. Written objections and notices of intent to appear at the Final Approval Hearing must be mailed to the Settlement Administrator and postmarked on or before _____, 2025, at the following address:

Apex Class Action Administration
Curtin Maritime Corp. Settlement
XXXXX
City, State, XXXXX
Email:
Fax

The written objection should state your name and address and describe all legal and factual reasons that you object to the terms of the Settlement. You should also include or attach any documents upon which your objection is based. If the Court overrules the objection at the Final Approval hearing, the Settlement Agreement will be approved, and you will receive your payment. If you do not submit a written objection, you may still appear at the Final Approval hearing to voice your objection or to otherwise observe the proceedings.

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

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

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

THE COURT'S FAIRNESS HEARING

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

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

The Court will hold a Final Approval Hearing at _____ on _____ in Department 1 of the Los Angeles County Superior Court (Spring Street Courthouse) located at 312 North Spring Street, Los Angeles, California 90012, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. If there are objections, the Court will consider them at that time. The Court will also be asked to approve the requests for the Class Representative Service Payment and the Class Counsel Fees and Litigation Expenses Payments.

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

20. DO I HAVE TO COME TO THE HEARING?

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

IF YOU DO NOTHING

21. WHAT IF I DO NOTHING AT ALL?

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

GETTING MORE INFORMATION

22. HOW DO I GET MORE INFORMATION?

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

Apex Class Action Administration
Curtin Maritime Corp. Settlement
XXXXX
City, State, XXXXX
Email:
Fax

PLEASE DO NOT TELEPHONE THE COURT OR CURTIN MARITIME CORPORATION'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR, LISTED ABOVE.

EXHIBIT 2

Samantha Smith, Esq.

From: DIR PAGA Unit <no-reply@formassembly.com>
Sent: Thursday, February 20, 2025 3:43 PM
To: Samantha Smith, Esq.
Subject: Thank you for your Proposed Settlement Submission

[You don't often get email from no-reply@formassembly.com. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

02/20/2025 03:42:36 PM

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

Item submitted: Proposed Settlement

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

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm