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Attorneys for Plaintiffs CALVIN PAYNE and JOHNY WILLIAMS

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

CALVIN PAYNE and JOHNNY WILLIAMS, individually and on behalf of others similarly situated, and on behalf of Aggrieved Employees pursuant to the California Private Attorneys General Act,

Plaintiffs,

vs.

PDM STEEL SERVICE CENTERS, INC.; and DOES 1 through 25, inclusive,

Defendants.

Case No. 24STCV00942
[related to Case No. 24STCV07204]

Assigned to the Honorable Carolyn B. Kuhl, Dept. SSC-12

DECLARATION OF ANNABEL BLANCHARD IN SUPPORT OF PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Date:	February 11, 2027
Time:	10:30 a.m.
Dept.:	SSC-12
Complaint Filed:	January 12, 2024
FAC Filed:	June 23, 2026
Trial Date:	Not Set

DECLARATION OF ANNABEL BLANCHARD

I, Annabel Blanchard, declare and state as follows:

1. I am an attorney duly licensed to practice law in all Courts of the State of California. I am a member of Blackstone Law, APC ("Class Counsel"), attorneys of record for Plaintiffs Calvin Payne and Johnny Williams ("Plaintiffs"). I have personal knowledge of the facts contained herein, and, if called to testify, I could and would competently do so.

Experience and Adequacy of Blackstone Law, APC

2. Blackstone Law, APC was started in February 2018, representing plaintiffs in individual and representative employment litigation. The firm has grown exponentially over the past eight-plus years, now maintaining over thirty highly pedigreed attorneys working on almost exclusively labor and employment class actions, California Labor Code Private Attorney General Act of 2004 ("PAGA") cases, and individual matters, with roughly 15% of the firm focused on other complex general litigation matters. Below is a summary of the experience and qualifications of the attorneys from Blackstone Law, APC who primarily have been responsible for the representation of Plaintiffs in connection with the resolution of the above-captioned matter.

3. Jonathan M. Genish is the founder of Blackstone Law, APC. He received his law degree from Benjamin N. Cardozo School of Law and was admitted to the California State Bar in 2008. During law school, he clerked at the litigation firm Oved & Oved, LLP and was published several times in various small publications. Upon graduation, he was rehired by Freedman & Taitelman, LLP as an associate and remained employed there from September 2008 through August 2015. During his tenure, he managed hundreds (perhaps thousands) of complex litigation cases, ranging from employment, corporate, entertainment, and general business litigation matters, though his primary area of expertise was employment, both single plaintiffs and representative actions. On the vast majority of those cases, he was the only or primary attorney managing the case and thus obtained extensive experience. In that capacity, he conducted wage and hour and wrongful termination labor and employment intakes; was the primary contact for all clients; took and defended hundreds (if not thousands) of depositions; propounded and responded to all discovery; prepared and opposed all motions and pleadings, including dispositive and certification motions; strategized on all cases;

attended all hearings; attended all mediations; coordinated with class action administrators; prepared and worked with experts; first and second chaired multiple trials and arbitrations; and engaged in all other intricate facets of litigation. During that time, he represented a wide range of clients from sole proprietorships to Fortune 500 companies in state, federal, complex, and appellate courts. Many of the cases he managed were highly publicized, with articles written about them in the Los Angeles Times, Deadline, The Hollywood Reporter, Business Insider, Law360, and others. Super Lawyers has regularly honored him as a Southern California Rising Star since 2012.

4. Barbara DuVan-Clarke is a 16-year litigator who joined Blackstone in September 2022 as a Senior Trial Attorney and Team Lead, building on her entire career of litigating single-plaintiff employment, catastrophic injury, and class/PAGA matters with well-known plaintiff-side wage and hour law firms in Los Angeles. She earned her Bachelor of Arts degree from the University of California at Los Angeles in 2003 and then obtained her Juris Doctorate from Case Western Reserve University in Cleveland, Ohio in 2007. Ms. DuVan-Clarke also maintains leadership roles in the California Employment Lawyers' Association ("CELA") and other organizations.

5. Danielle L. GruppChang is a senior associate attorney. She graduated from California Polytechnic University San Luis Obispo in 2013, with a Bachelor of Arts degree in Political Science with a minor in Communication Studies. She then obtained her Juris Doctorate from University of California Law San Francisco (formerly known as University of California Hastings College of the Law), graduating in 2016, and was admitted to the California State Bar in January 2017. She has practiced exclusively plaintiffs' side labor and employment class and representative action law from 2017 through the present.

6. P.J. Van Ert is a senior associate attorney who joined Blackstone in 2023, after having worked at an employment litigation firm for 2 years, and prior to that, having served as a District Attorney for over 13 years. In that role, she was a prolific trial attorney, and it is my understanding that she tried over 50 jury trials to verdict. She graduated from University of California at Davis in 2000, with a Bachelor of Arts degree, and from University of California at Los Angeles School of Law with a Juris Doctorate in 2004. She was admitted to the State Bar of California in December 2004.

7. Melissa Rodriguez is an Associate Attorney at Blackstone Law, APC. She received her

Bachelor's degree in Criminology and Justice Studies from California State University, Northridge in 2019 and her Juris Doctorate from UC College of the Law, San Francisco in 2023. She was admitted to the California State bar on December 4, 2024.

8. I joined Blackstone Law, APC, in January 2024, after having worked for two years at another highly reputable employment law firm. Prior to working in employment law, I worked for over 14 years as a trusts and estates attorney, focused on special needs planning. During that time, I also worked as Court Appointed Counsel for the Los Angeles Superior Court, representing proposed conservatees. I graduated from University of California at Berkeley with a Bachelor of Arts degree in 2001, and from Southwestern University School of Law with a Juris Doctorate in 2008. I was admitted to the State Bar of California in December of 2008. I have worked on many wage and hour class action and PAGA representative matters, and my work has included, inter alia, researching and drafting pleadings, drafting, negotiating, and finalizing settlement agreements, engaging in motion practice, and claims evaluation and analysis.

9. Blackstone Law, APC, has been counsel of record on several class action and PAGA actions that have since been resolved, the most recent of which are attached hereto as **Exhibit 1**.

Procedural History of the Action

10. On January 11, 2024, Plaintiff Calvin Payne provided written notice to the California Labor and Workforce Development Agency ("LWDA") by online submission and to Defendant PDM Steel Service Centers, Inc. ("Defendant") by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by Defendant ("PAGA Letter"). A true and correct copy of the PAGA Letter is attached hereto as **Exhibit 2**.

11. On January 12, 2024, Plaintiffs filed a Class Action Complaint for Damages in the action entitled *Calvin Payne and Johnny Williams v. PDM Steel Service Centers, Inc.*, Los Angeles County Superior Court Case No. 24STCV00942 ("Action"), thereby commencing a putative class action against Defendant.

12. On March 21, 2024, Plaintiff Calvin Payne filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 Et Seq. in the action entitled Calvin

Payne v. PDM Steel Service Centers, Inc., Los Angeles County Superior Court Case No. 24STCV07204 ("PAGA Action"), which alleged one cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 et seq. ("PAGA") against Defendant.

13. On July 29, 2025, the Parties participated in a formal mediation conducted by the Honorable Brian J. Walsh (Ret.) ("Mediator"), a neutral and respected mediator with extensive experience in complex wage and hour matters, and with the assistance of the Mediator's evaluations, the Parties were able to reach an agreement to resolve this dispute on a class and representative basis. The Parties then worked diligently to negotiate and memorialize the terms in a long-form settlement agreement.

14. On June 23, 2026, Plaintiff filed a First Amended Class and Representative Action Complaint ("Operative Complaint") in the Action, which added the PAGA claims alleged in the PAGA Action. The Operative Complaint alleges ten (10) causes of action for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq*. based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

15. On October 1, 2026, the Parties executed the Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement"). A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit 3**.

Summary of the Terms of the Settlement Agreement

16. For purposes of settlement only, the Parties have agreed that the Class shall be defined as "all individuals who are current or former hourly-paid and/or non-exempt employees of Defendant in the State of California at any time during the Class Period" ("Class" or "Class Member(s)"). The Class Period is defined as the period from January 12, 2020, through October 31, 2025. Based on

information provided by Defendant, it is estimated that there are a total of approximately two hundred fifty-six (256) Class Members.

17. The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint for a non-reversionary Gross Settlement Amount of One Million Twenty Thousand Three Hundred Twenty-Two Dollars ($1,020,322), exclusive of employer-side payroll taxes. The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. The Gross Settlement Amount includes: (1) Class Counsel's fees in an amount up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., $357,112.70 if the Gross Settlement Amount is $1,020,322.00); (2) Class Counsel's actual litigation costs and expenses, not to exceed Forty Thousand Dollars ($40,000); (3) Settlement Administration Costs, in an amount not to exceed Eight Thousand Dollars ($8,000); (4) Enhancement Payments in the amount of Ten Thousand Dollars ($10,000) to each named Plaintiff, for a total of $20,000; and (5) a PAGA Amount of Fifty Thousand Dollars ($50,000). After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount available for Class Members will be the remainder. Additionally, twenty-five percent (25%) of the PAGA Amount ("PAGA Employee Amount"), which is $12,500 out of $50,000, will be fully distributed to "all individuals who are current or former hourly-paid and/or non-exempt employees of Defendant in the State of California at any time during the PAGA Period" ("PAGA Employee(s)"). The "PAGA Period" is defined as the period from January 11, 2023, through October 31, 2025.

18. The Net Settlement Amount will be distributed and paid to all Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Member(s)") on a pro rata basis based on the number of Workweeks each Class Member worked for Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period ("Workweeks"). The pro rata share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement ("Individual Settlement Share") will be calculated by the Settlement Administrator in accordance with the Settlement Agreement.

19. The PAGA Employee Amount of Twelve Thousand Five Hundred Dollars ($12,500) will be distributed and paid to all PAGA Employees on a pro rata basis based on the number of Pay

Periods each PAGA Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period ("Pay Periods"). The pro rata share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement ("Individual PAGA Payment") will be calculated by the Settlement Administrator in accordance with the Settlement Agreement.

20. Each Individual Settlement Share will be allocated as twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

21. The Settlement Agreement is a non-reversionary and non-claims made settlement. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Amount will return to Defendant. The Net Settlement Amount will be fully distributed to Settlement Class Members and the PAGA Amount of Fifty Thousand Dollars ($50,000) will be fully distributed, with seventy-five percent (75%), or $37,500, paid to the LWDA, and twenty-five percent (25%), or $12,500, distributed to PAGA Employees, in accordance with the Settlement Agreement. No money will revert to Defendant.

22. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such canceled checks shall be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee. The Parties agree that this

disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to Settlement Class Members, whether or not they cash their settlement checks.

The Settlement is Reasonable

Informed Arms-Length Negotiations

23. The Parties' settlement negotiations were at all times made at arm's-length and were adversarial. The Settlement was reached following a full day of mediation with a highly respected mediator with substantial experience mediating wage and hour cases, and Plaintiffs engaged in additional negotiations in order to finalize the long-form agreement presently before the Court.

24. The Parties engaged in extensive informal discovery prior to reaching a settlement. Prior to mediation, Defendant produced a random sampling of putative class members' time and pay records as well as multiple iterations of Defendant's employee handbook, Defendant's relevant wage and hour policies (including but not limited to Defendant's meal period waiver, timekeeping policy, attendance and punctuality policy, overtime policy, and uniform expense reimbursement policy) and information regarding the total number of putative class members, the number of current versus former employees, the total workweeks worked by the putative class members, and the average rate of pay for the putative class members.

25. This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and weaknesses of the claims and the potential class-wide damages.

26. Based on the information exchanged, the Parties extensively briefed issues regarding class certification and liability and provided their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective positions. At all times, Plaintiffs were willing and prepared to litigate this matter through class certification and trial if the Parties had been unable to reach a favorable resolution.

Estimate of Potential Value of Claims

27. Class Counsel analyzed all available data and estimated Defendant's maximum potential exposure to be approximately $6,871,626, assuming the litigation was successful at trial on all claims at issue and every employee had a violation for each claim on every shift worked. This

maximum potential analysis was then reduced based on the challenges facing the likelihood of obtaining class certification, prevailing at trial, and other attendant risks. This estimate is based off an estimated maximum liability for all claims at issue and the total aggregate workweeks during the relevant time period, less interest, and based on the analysis of the data which was extrapolated out for all putative class members across the entire putative class period, which included: $776,164 for meal period violations (less meal period premiums paid); $3,712,679 for rest period violations at a 100% violation rate; $781,473 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; $392,959 for unpaid overtime wages at the required regular rate of pay; $178,175 for unreimbursed business expenses; $478,176 for waiting time penalties; and $552,000 for wage statement penalties. Plaintiffs further estimated that Defendant faced an additional exposure of $575,900 in potential, non-stacked (i.e., one penalty, per employee, per pay period during the PAGA statutory period) PAGA penalties. Together with the PAGA penalties, Defendant's maximum potential exposure totaled $7,447,526 in damages.

Specific Risks Considered

28. Although the investigation and information discovered supports Plaintiffs' contentions, Defendant raised potential defenses and other circumstances that impacted the risk of proceeding on a class-wide basis. Consideration of these risks factored into the negotiations and the decision to enter the Settlement.

29. Class Counsel is aware of Defendant's defenses and arguments and has also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation, including those involved in class and/or representative adjudication. Plaintiffs further recognizes the burdens of proof necessary to establish liability for the claims asserted in the Action, Defendant's defenses, and the difficulties in establishing entitlement to monetary recovery. Plaintiffs have also considered the Parties' settlement discussions, as well as the evaluations of the Mediator, who is experienced and well-regarded in complex labor and employment matters.

30. Defendant denied and continues to deny any liability and wrongdoing of any kind associated with the claims alleged in the Action and further denies that class certification is appropriate for any purpose other than the Settlement. Defendant believes that it would ultimately prevail in the

Action. Defendant proffered defenses to both certification and to the merits of Plaintiffs' claim. Defendant contended that Plaintiffs' claim are not suitable for class certification because individual issues would predominate should this case go to trial. As with all class actions, these complex cases raise difficult management and proof issues and, accordingly, there is a significant risk that the Court may deny class certification.

31. For example, Plaintiffs' meal period claims, which were based on Defendant's alleged failure to provide lawful meal periods, have been increasingly difficult to certify in recent years. Plaintiffs' theory of liability for meal period violations was based on allegations that Defendant had failed to implement its policies and that its practices failed to allow Class Members to take meal breaks in the manner required under California law. Defendant contended that its policies and practices at all times during the Class Period were lawful. Indeed, Plaintiffs' analysis revealed only a 21.4% violation rate for purported unique meal period violations, and only a 15.2% violation rate for purported unique meal period violations with meal waivers. Defendant further argued that the rate of purported meal period violations reflected in the data would require individualized inquiry and that such inquiry would prohibit a class from being certified. We also had to consider the risk that the Court would find validity in the individualized proof defense to certification of Plaintiffs' meal period claims.

32. Additionally, a large portion of Defendant's overall liability lies in Plaintiffs' rest period allegations. As with the meal period allegations, Defendant contended that it had a lawful written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as required under California law. Additionally, this claim was even more uncertain given the difficulties associated with proving the alleged rest period violations, as Defendant was not required to record these breaks. Given the lack of records demonstrating rest period violations, there were legitimate concerns Plaintiffs would not be able to certify these claims or prove substantial damages with requisite certainty, which made the estimated value of this claim subject to much challenge.

33. Plaintiffs also faced challenges certifying and proving liability for their minimum wage and overtime claims. These claims were largely based on Defendant's unrecorded, off-the-clock work performed by the Class Members both before and after their shifts and during purported meal periods, including: (a) performing work prior to clocking in such as donning uniforms in locker rooms, waiting

in the break room for work instructions, receiving daily work instructions, moving trucks, moving equipment such as forklifts, and moving and retrieving materials and pallets; (b) performing work during meal periods, including responding to work-related inquiries; (c) performing work after clocking out such as doffing uniforms and moving equipment, forklifts, trucks, or materials; and (d) performing work between shifts, including receiving and responding to work-related communications such as calls and texts. However, the individualized nature of why this work was performed and the individualized nature of damages presented substantial concerns regarding the manageability of the case and the risk the Court could find these issues prevented certification, and the estimated damages for this claim were based on an assumption that all Class Members worked off the clock for at least one hour per week.

34. Plaintiffs also contended that Defendant failed to reimburse Plaintiffs and the other Class Members for necessary business-related expenses, including the purchase of personal protective equipment such as steel-toed boots, hand warmers, arm gears, elbow pads, helmets and helmet accessories, purchase of minor tools such as magnet lights, purchase of uniform items which were deducted from Plaintiffs' and Class Members' paychecks, and use of cell phones and related internet usage for work-related purposes. Defendant contended that it had a policy and practice of reimbursing employees for necessary business-related expenses and further contended that the reason why a Class Member undertook certain expenses while not others and failed to receive reimbursement for certain expenses while not others, would raise individual issues that could not be certified.

35. There are also substantial risks associated with Plaintiffs' waiting time penalties and wage statement claims. First, these claims were derivative of Plaintiffs' claims for unpaid meal period premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if certification was denied on those underlying claims, these derivative claims for penalties would also likely fail. Further, even if Plaintiffs prevailed on their underlying claims, they would still be required to demonstrate that Defendant's violations of California Labor Code section 203 were willful violations. Wage statement claims have also seen varying treatment at the appellate level because such claims have an element of discretion attached to them rather than a pure calculation of damages after liability is proven. Accordingly, these derivative claims, which comprised a substantial portion

of Defendant's estimated liability, were therefore uncertain.

36. Class Counsel also recognized that, even if Plaintiffs prevailed at class certification, proving the amount of wages due to each Class Member would be an expensive, time-consuming, and extremely uncertain proposition. In order to prove liability and damages, Class Counsel would need to request and analyze thousands of pages of documents, obtain the Class Members' contact information, contact them, and obtain declarations at great expense. Obtaining the cooperation of current employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current employer. Class Counsel diligently investigated the class and PAGA claims against Defendant, including any and all applicable defenses and the applicable law, and the Parties have engaged in sufficient informal discovery and investigation to assess the relative merits of the claims and contentions of the Parties. Moreover, even if Plaintiffs prevailed at class certification and trial, possible appeals would substantially delay any recovery by the Class.

37. Class Counsel also separately contemplated the risks of proceeding with the PAGA claims and potential liability Defendant could face from these claims as part of the global resolution. Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiffs' underlying wage claims. Class Counsel also anticipated that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory, and that Defendant would argue that it made a good faith attempt to comply with its legal obligations warranting a reduction in penalties. Class Counsel also anticipated Defendant would argue that the violations per pay period were low, warranting an additional reduction in civil penalties. Finally, we were also mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by financing state activities and educating and deterring non-compliance.

38. Accordingly, after considering this multitude of factors, we concluded that it was in the best interest of the State of California and the PAGA Employees to enter into the Settlement, and to allocate Fifty Thousand Dollars ($50,000) of the Gross Settlement Amount towards the PAGA claims, which represents approximately 4.9% of the Gross Settlement Amount of $1,020,322. This percentage

of the settlement is well within the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and PAGA action. Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlement allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts. Moreover, the overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA to promote enforcement of California's labor laws, provide funds to the state, and deter future non-compliance by the employer.

39. Therefore, taking into account how each of the above risks potentially effected Plaintiffs' ability to first obtain class certification, and then prove the underlying violations, the Court's broad discretion in civil penalties, plus the cost and delay in recovering the alleged potential damages, Class Counsel discounted Defendant's estimated liability based on the challenges facing Plaintiffs ability to succeed on class certification by 65% to $2,606,634.10. The merits-based risk factors further reduced Defendant's estimated liability by an additional 60%. This resulted in an adjusted estimated liability of $1,042,653.64. In light thereof, the settlement amount of $1,020,322.00is a significant settlement.

40. Class Counsel therefore submits that the Settlement is fair, reasonable, and adequate. The Settlement is in the best interest of the Class Members, the PAGA Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation.

Enhancement Payment

41. As part of the Settlement Agreement, Plaintiffs are requesting reasonable Enhancement Payments of Ten Thousand Dollars ($10,000) to Plaintiff Calvin Payne and Ten Thousand Dollars ($10,000) to Plaintiff Johnny Williams, for a total of Twenty Thousand Dollars ($20,000). These Enhancement Payments are eminently reasonable given the time and effort Plaintiffs spent on this case including assisting Class Counsel in the investigation and prosecution of the Action, reviewing pleadings and discovery, participating in formal discovery, sitting for deposition, attending mediation, and executing the Settlement Agreement and the benefit to the Class Members as a result of Plaintiffs'

actions. In exchange for the Enhancement Payments, Plaintiffs will provide a general release of all claims they have or may have against Defendant. Notice of the requested Enhancement Payments is disclosed to the Class Members in the Class Notice.

Attorneys' Fees and Costs

42. The attorneys' fees incurred by Class Counsel are in line with the common fund requested. The Settlement Agreement provides for Class Counsel to apply for attorneys' fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., $357,112.70 if the Gross Settlement Amount is $1,020,322.00) and actual litigation costs and expenses in an amount not to exceed Forty Thousand Dollars ($40,000.00), which will be paid out of the Gross Settlement Amount, subject to approval by the Court. Class Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.

43. The effectiveness of Blackstone Law, APC's prosecution of this matter has translated into tangible monetary benefits as follows: (1) Class Members, the State of California, and PAGA Employees will obtain monetary recovery over a relatively short period of time, as opposed to waiting additional years for the same, or potentially worse, result; (2) a guaranteed result that compares favorably with other similar class action settlements of this type, given the strengths and weaknesses of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only increased significantly had the case progressed through certification, trial, and/or upon appeal.

44. Class Counsel has litigated this matter and was actively preparing this matter for class certification and trial. The Motion for Final Approval will elaborate on the nature of the legal services provided, the time incurred in performing those services, and Class Counsel's hourly rates. The Motion for Final Approval will also elaborate on the reimbursement costs sought by Class Counsel. Notice of the requested Attorneys' Fees and Costs is disclosed to the Class Members in the Class Notice.

Notice to the Class

45. The Parties have agreed to retain Apex Class Action, LLC ("Apex" or "Settlement Administrator") to handle the notice and settlement administration process. The Parties respectfully request that the Court appoint Apex to handle these procedures and to serve as the Settlement

Administrator. Defendant will provide Apex with the Class List and Apex will calculate each Class Member's estimated Individual Settlement Share and each PAGA Employee's estimated Individual PAGA Payment. Apex will also receive and process Requests for Exclusion, Notices of Objection, and Disputes; will provide necessary reports and declarations; will calculate, subtract, and transmit necessary taxes and withholdings with respect to the wages portion of the Individual Settlement Shares; will prepare and submit informational and other tax filings and documents; will issue and transmit all payments provided for by the Settlement, including, but not limited to, mailing Individual Settlement Payment checks to the Settlement Class Members and Individual PAGA Payment checks to the PAGA Employees; and perform any other usual and customary duties for administering a class action settlement.

46. I am not aware of an alternative method of providing notice to the Class which would result in a higher likelihood of actual notice. The original source of the mailing addresses is from each Class Member, who provided the information to Defendant. As a fail-safe to this highly reliable method, skip tracing will be performed, if necessary.

Notice of Settlement to the LWDA

47. In accordance with California Labor Code section 2699(s)(2), on October 20, 2026, a copy of the proposed Settlement was submitted to the LWDA via online submission through the LWDA's website. A true and correct copy of the email from the LWDA confirming receipt is attached hereto as **Exhibit 4**.

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

Executed on October 20, 2026, at Los Angeles, California.

A. Blanchard

Annabel Blanchard

EXHIBIT 1

- *Luis A. Romero v. Thyssenkrupp Materials, LLC*, Los Angeles County Superior Court, Case No. 24STCV03007, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jose Luis Ramirez, et al. v. TMI Automotive Products Inc., et al.*, Riverside County Superior Court, Case No. CVRI2304340, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Yrene Diaz, et al. v. Macadi Cleaning Corporation*, Los Angeles County Superior Court, Case No. 21STCV33823, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ingrid Ruano v. Box Express Manufacturing*, Los Angeles County Superior Court, Case No. 23STCV17209, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Lakeysha Vaughn, et al. v. Den-Mat Holdings, LLC, et al.*, Santa Barbara County Superior Court, Case No. 24CV01042, approved as counsel in final settlement of wage and hour class action.
- *Carla Recinos Castillo, et al. v. Radiant Services Corp., et al.*, Los Angeles County Superior Court, Case No. 22STCV37683, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Eduardo Venegas v. Ionis Pharmaceuticals, Inc.*, Los Angeles County Superior Court, Case 24STCV12702, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Marissa Riemann v. Quantum Design, Inc., et al.*, San Diego County Superior Court, Case No. 24CU009870C, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jossue Morentin, et al. v. Andros Engineering Corporation*, Kern County Superior Court, Case No. BCV-25-101034, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Urbano Zavala Lopez v. Food for Life*, Riverside County Superior Court, Case No. CVRI2305901, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Demaris Masadas v. California Dinner Entertainment, LLC dba Pirate's Dinner Adventure*, Orange County Superior Court, Case No. 30-2023-01354556-CU-OE-CXC, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Laura Abarca v. Skirball Cultural Center*, Los Angeles County Superior Court, Case No. 24STCV07567, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Frank Breckenridge v. Pacific Material Handling Solutions, Inc.*, Alameda County Superior Court, Case No. 24CV070227, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Gina Harris v. Arhaus, LLC, et al.*, Los Angeles County Superior Court, Case No. 24STCV24656, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Debra McDonald v. LFCU Financial Services, LLC dba Logix Federal Credit Union, et al.*, Los Angeles County Superior Court, Case No. 24STCV16050, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Victoria Esquivel v. Hamlet Karapetian, DMD, Inc. dba Friendly Smiles Dental Group, et al.*, Santa Barbara County Superior Court, Case No. 24CV03582, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Gabriela Guerrero, et al. v. SAR California Holdco Inc. dba Sarku Japan*, Kern County Superior Court, Case No. BCV-23-104255, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Roman Ramirez Gallegos, et al. v. Dolex Dollar Express, Inc.*, Los Angeles County

Superior Court, Case No. 23STCV21872, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Ismael Mercado, et al. v. Natural Alternatives International, Inc.*, San Diego County Superior Court, Case No. 37-2023-00052115-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marcella Holmes, et al. v. Pacifica Hotel Company*, San Luis Obispo County Superior Court, Case No. 23CV-0681, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Daniel Pereira, et al. v. L.N. Curtis and Sons*, Alameda County Superior Court, Case No. 24CV101859, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Dillan Burghart, et al. v. Watermark Services, IV, LLC*, Alameda County Superior Court, Case No. 23CV035212, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Kasim Hakimi v. Catalent Pharma Solutions, LLC*, Alameda County Superior Court, Case No. 24CV087209, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cesar Ibarra v. Leuen, Inc. dba The Original Pantry Café*, Los Angeles County Superior Court, Case No. 23STCV017182, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Sharon Baker v. OPARC*, Los Angeles County Superior Court, Case No. 24STCV11229, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Basilia Villa Magaña v. CJKANTRG PA, LLC*, Los Angeles County Superior Court, Case No. 23STCV25886, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexis Stuart-Drinnen v. DiCarlo's Italian Cafe, LLC, et al.*, San Bernardino County

Superior Court, Case No. CIVSB2313579, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Monique Duong v. Boardwalk IG Management, LLC*, Orange County Superior Court, Case No. 30-2023-01334565-CU-OE-CXC, approved as counsel in final settlement of wage and hour class action.
- *Peter J. Gutierrez v. Univar Solutions USA Inc., et al.*, Los Angeles County Superior Court, Case No. 23STCV26851, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Steve Robles v. Avery Products Corporation*, Orange County Superior Court, Case No. 30-2024-01390483-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Dianna Flores v. Capitol Distribution Company LLC dba Capitol Food Company*, Los Angeles County Superior Court, Case No. 24STCV20477, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mark Trahan v. Celebrity Casinos, Inc. dba Crystal Casino*, Los Angeles County Superior Court, Case No. 25STCV30655, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jamie Ramires, et al. v. Bright Star Schools*, Los Angeles Superior Court, Case No. 23STCV15490, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alesia Williams v. Altamed Health Services Corp.*, Los Angeles Superior Court, Case No. 23STCV15413, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Moreno v. Kern Regional Center*, Kern County Superior Court, Case No. BCV-24-103353, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jonathan Cruz-Pulido v. Central Valley Meat Co., Inc., et al.*, Los Angeles County

Superior Court, Case No. 24STCV13660, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Gregorio Pineda, et al. v. Orthopaedic Hospital dba Orthopaedic Institute for Children and Luskin Orthopaedic Institute for Children, et al.*, Los Angeles County Superior Court, Case No. 24STCV01618, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *John Price v. Fort Point Beer Company*, San Francisco County Superior Court, Case No. CGC-23-610592, approved as counsel in final settlement of wage and hour class and PAGA action.
- *David Jason Quiñones, et al. v. J-M Manufacturing Company Inc. dba JM Eagle*, Los Angeles County Superior Court, Case No. 23STCV16439, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Laila Droubi, et al. v. GSF Properties, Inc.*, Kern County Superior Court, Case No. BCV-24-100950, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rowena Ray v. Sierra Central Credit Union*, Butte County Superior Court, Case No. 24CV02890, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Hamid Kondori, et al. v. Mission Imports, et al.*, Orange County Superior Court, Case No. 30-2022-01295280-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Johnny Rivas v. Buckingham Property Management*, Kings County Superior Court, Case No. 23CU0355, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Manuel Hernandez v. DHC PS Holdings LLC, et al.*, Alameda County Superior Court, Case No. 24CV079333, approved as counsel in final settlement of wage and

hour class and PAGA action.

- *Daniel He, et al. v. Bay Photo Lab Inc., et al.*, Los Angeles County Superior Court, Case No. 24STCV05682, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Leonard Moore v. Truepill, Inc.*, Alameda County Superior Court, Case No. 23CV047001, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Colton Ray v. Papé Machinery, Inc., et al.*, Humbolt County Superior Court, Case No. CV2402126, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Elba Garcia v. South Central Los Angeles Regional Center for Developmentally Disabled Persons, Inc.*, Los Angeles County Superior Court, Case No. 24STCV04382, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Miguel Avila v. Weber Metals, Inc.*, Los Angeles County Superior Court, Case No. 24STCV04071, approved as counsel in final settlement of wage and hour class action.
- *Hector Cornejo v. Renovo Solutions, LLC*, Los Angeles County Superior Court, Case No. 23STCV27376, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Juan Campos-Ledezma, et al. v. Institute for Environmental Health, Inc.*, Stanislaus County Superior Court, Case No. CV-23-006693, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jeanne Boudreau v. Intelliswift Software, Inc.*, San Francisco County Superior Court, Case No. CGC-23-611128, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Munguia v. Moog Inc.*, Los Angeles County Superior Court, Case No.

24STCV11688, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Francisco Javier Sanchez, Jr. v. Jim Crawford Construction Company, Inc.*, Fresno County Superior Court, Case No. 24CECG01421, approved as counsel in final settlement of wage and hour class action.
- *Jose Ramirez v. A.J. Kirkwood & Associates, Inc.*, San Diego County Superior Court, Case No. 24CU012580C, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Kirstie Deveaux, et al. v. Motorola Solutions, Inc.*, Santa Clara County Superior Court, Case No. 23CV427798, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Geri Gates, et al. v. SD & A Teleservices, Inc.*, Los Angeles County Superior Court, Case No. 23STCV29390, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Bryan Zuniga v. Inova Diagnostics, Inc., et al.*, San Diego County Superior Court, Case No. 37-2023-00055201-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ivorya Geneve v. Mikuni Restaurant Group, Inc.*, Contra Costa County Superior Court, Case No. C23-02732, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Amira Fakira, et al. v. CSL Plasma, Inc.*, Alameda County Superior Court, Case No. 23CV057131, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Vadim Savin, et al. v. Fleetlogix Inc.*, San Diego County Superior Court, Case No. 37-2023-00051984-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Grace Weissmuller, et al. v. Astrix Technology, LLC*, Los Angeles County Superior

Court, Case No. 21STCV45436, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Gabriel Perez, et al. v. Kimberlite Corporation, et al.*, Alameda County Superior Court, Case No. 24CV073959, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Armida Marquez v. The Nielsen Company (US), LLC*, Los Angeles County Superior Court, Case No. 23STCV06394, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Sergio Valdez v. Ampere Computing, LLC, et al.*, Santa Clara County Superior Court, Case No. 24CV438808, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Mendoza v. Mingei International, Inc.*, San Diego County Superior Court, Case No. 37-2024-00015385-CU-OE-CTL, approved as counsel in final settlement of wage and hour class action.
- *Vivian Huynh v. Technical Safety Services, LLC*, Alameda County Superior Court, Case No. 23CV053505, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Connor Brown v. Bi-Rite Management Services LLC, et al.*, San Francisco County Superior Court, Case No. CGC-24-611385, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Joshua Gilmore v. Golden Bolt, LLC*, Los Angeles County Superior Court, Case No. 24STCV11281, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tony Jones v. Saddle Creek Corporation dba Saddle Creek Logistics Services*, Orange County Superior Court Case No. 30-2024-01379065-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Armida Burton v. Mercury Mission Systems, LLC*, Los Angeles County Superior

Court, Case No. 24STCV02628, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Triada Pallidou v. TJB Geary's, LLC dba Geary's Beverly Hills*, Los Angeles County Superior Court, Case No. 24STCV15627, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Joey Ruiz, et al. v. Southern Tire Mart, LLC*, Los Angeles County Superior Court, Case No. 24STCV12037, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Salomon Garcia, et al. v. Atlas Freight Forwarding, Inc.*, San Diego County Superior Court, Case No. 37-2022-00039724-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Chardriana Jean v. Woodruff-Sawyer & Co.*, Alameda County Superior Court, Case No. 24CV102594, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Stephanie Leon v. Fulgent Therapeutics, LLC, et al.*, Los Angeles County Superior Court, Case No. 24STCV14168, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Emma Romero v. Charles Abbott Associates, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2322374, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Karen Hartstein v. Hyatt Corporation*, Los Angeles County Superior Court, Case No. 20STCV15895, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Michael Casas, et al. v. Encorr Sheets, LLC*, San Bernardino County Superior Court, Case No. CIVSB2319925, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Quincy O'Neal v. Included Health, Inc., formerly known as Grand Rounds Health,*

Inc., San Francisco County Superior Court, Case No. CGC-23-608391, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Javario Datrail Luna v. A-Check America, Inc., et al.*, Riverside County Superior Court, Case No. CVRI2306180, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Kevin Werner, et al. v. Greystar Management Services, LP, et al.*, Los Angeles County Superior Court, Case No. 23STCV08498, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jully Mullings v. Antelope Ambulance Service*, Los Angeles County Superior Court, Case No. 23STCV30241, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Maria Martina Aleman v, Holding Hands OPCO LLC dba Holding Hands, Inc.*, Los Angeles County Superior Court, Case No. 24STCV25240, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jesus Herrera v. Reeve Store Equipment Company*, Los Angeles County Superior Court, Case No. 22STCV04239, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Vanessa Vazquez v. Cliffs Resort LLC*, San Luis Obispo County Superior Court, Case No. 24CV-0025, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Javier Hernandez, Jr. v. DGDG 1, LLC, et al.*, Santa Clara County Superior Court, Case No. 23CV416770, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Juan Manuel Munoz v. MGA Entertainment, Inc.*, Los Angeles County Superior Court, Case No. 23STCV06386, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Mayra Campos Molina, et al. v. Harbor Hotels, LLC*, Los Angeles County Superior Court, Case No. 23STCV10683, approved as counsel in final settlement of wage and hour class and PAGA action.
- *William Sykes, IV, et al. v. Wente Bros.*, Alameda County Superior Court, Case No. 23CV048758, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Padilla, et al. v. WEHO Hospitality Sunset, LLC*, Los Angeles County Superior Court, Case No. 23STCV01072, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Marvin Morales v. Skurka Aerospace, Inc.*, Los Angeles County Superior Court, Case No. 24STCV12893, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Krug, et al. v. EKC Enterprises, Inc.*, Kern County Superior Court, Case No. BCV-23-103975, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Joseph Amyot v. Silverthorn Resort, Inc.*, Shasta County Superior Court, Case No. 23CV-0203487, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marissa Hartman v. Napa LP Hospitality Corporation*, Napa County Superior Court, Case No. 23CV00116, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Lesly Arreguin, et al. v. Intercare Therapy, Inc.*, Los Angeles County Superior Court, Case No. 23STCV27972, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alma Lopez, et al. v. Advanced Manufacturing and Development, Inc.*, Mendocino County Superior, Case No. 23CV000673, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.

- *Brittni Aghedo, et al. v. Villa Esperanza Services*, Los Angeles County Superior Court, Case No. 23STCV27362, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Robin Jennings v. Mizuho Orthopedic Systems, Inc. dba Mizuho OSI*, Alameda County Superior Court, Case No. 24CV070891, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Jonathan Martin v. Atlas Digital, LLC*, Los Angeles County Superior Court, Case No. 23STCV30498, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cynthia Molt v. Los Angeles Film School, LLC*, Los Angeles County Superior Court, Case No. 23STCV30757, approved as counsel in final settlement of wage and hour class and PAGA action.
- *William Ramirez v. Employer Solutions Staffing Group LLC*, Los Angeles County Superior Court, Case No. 23STCV24735, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Anu Verma v. SingerLewak LLC*, Los Angeles County Superior Court, Case No. 24STCV11344, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Toby Lanzarin, et al. v. Building Material Distributors, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00330343-CU-OE-GDS, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Kassandra Herndon, et al. v. Agreeya Solutions, Inc.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0002783, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Damon Siler, et al. v. Call-The-Car dba Call the Car*, Los Angeles County Superior Court, Case No. 24STCV07514, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Daniel Ochoa-Lopez v. CorTech West Staffing, LLC, et al.*, Los Angeles County Superior Court, Case No. 23STCV19480, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Juan Escobedo v. Block Tops, Inc.*, Orange County Superior Court, Case No. 30-2023-01356309-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Antonio Quintero v. Weyerhaeuser NR Company*, Los Angeles County Superior Court, Case No. 23STCV02624, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cristo Hernandez v. Eldorado National (California), Inc.*, Riverside County Superior Court, Case No. CVRI2201056, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rigoberto Tecaliz v. National Restaurant Inc. dba Black Bear Diner*, San Diego County Superior Court, Case No. 37-2023-00046906-CU-OE-CTL, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Cecilia Estrada v. The Roman Catholic Archbishop of Los Angeles*, Los Angeles County Superior Court, Case No. 24STCV07184, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Davis v. JAJ Roofing dba Citadel Roofing and Solar*, Sacramento County Superior Court, Case No. 23CV011004, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Aurelio Aguilar v. Supreme Car Wash, Inc.*, Los Angeles County Superior Court, Case No. 21STCV29696, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Aaron Coffey v. Catalina Channel Express, Inc.*, Los Angeles County Superior Court, Case No. 21STCV41396, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Djuana Shanella Hale, et al. v. Welbe Health, LLC, et al.*, San Joaquin County Superior Court, Case No. STK-CV-UOE-2023-0006866, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Mario Fosados v. Drew Chain Security Corp.*, Los Angeles County Superior Court, Case No. 24STCV00519, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jose Manuel Amaro Bernal v. Joseph Holt Plastering, Inc.*, Los Angeles County Superior Court, Case No. 24STCV15637, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Brandon Geston v. FRTO LLC, et al.*, Fresno County Superior Court, Case No. 24CECG01292, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Alfonso Herrera v. W.L. Butler Construction, Inc., et al.*, Orange County Superior Court, Case No. 30-2023-01335445-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Marcos Ojendiz, et al. v. Jonathan Louis International*, Los Angeles County Superior Court, Case No. 21STCV35253, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Emmanuel Caldera v. Zeb's World Famous Boathouse Inc. dba Goat Hill Tavern*, Orange County Superior Court, Case No. 30-2023-01310801-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Alex Javier Nakamoto v. Skydio, Inc.*, Alameda County Superior Court, Case No. 24CV062913, approved as counsel in in settlement of representative wage and hour action pursuant to PAGA.
- *Jason McEntee v. Roche Molecular Systems, Inc.*, Alameda County Superior Court, Case No. 23CV041360, approved as counsel in final settlement of wage and hour class and PAGA action.

- *Alexzander Roberts, et al. v. Lemonade Restaurant Group*, Los Angeles County Superior Court, Case No. 22STCV38302, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Halla Knotts v. Launch Technical Workforce Solutions, LLC*, San Bernardino County Superior Court, Case No. CIVSB2332568, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Armando Gastelum v. Premier Trailer Manufacturing, Inc.*, Tulare County Superior Court, Case No. VCU300333, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Tiffany Patterson v. Black Mountain Healthcare, LLC., d/b/a Seaport Home Health & Hospice*, San Diego County Superior Court, Case No. 37-2023-00037563-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Angel Rodriguez v. American Textile Maintenance*, Los Angeles County Superior Court, Case No. 22STCV17855, approved as counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Rita Ray v. Families Together of Orange County*, Orange County Superior Court, Case No. 30-2023-01324555-CU-OE-CXC, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Ly Hai v. Sunroad HS Auto, Inc.*, San Diego County Superior Court, Case No. 37-2022-00025788-CU-OE-CTL, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Anabel Perez v. Eureka Specialties, Inc.*, Los Angeles County Superior Court, Case No. 22STCV35940, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Galicia v. Virco, Inc., et al.*, Los Angeles County Superior Court, Case No.

23STCV29425, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Rene Umana v. Columbus Technologies*, Los Angeles County Superior Court, Case No. 22STCV16432, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Sitara Nayabkhil v. San Francisco SPCA (dba SFSPCA), a California 501(c)(3) non-profit organization*, San Francisco County Superior Court, Case No. CGC-23-609950, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Fernando Solis v. Tuff Shed, Inc.*, Los Angeles County Superior Court, Case No. 24VECV00368, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tyler Emery v. Santa Cruz Bicycles, LLC*, Santa Cruz Superior Court, Case No. 24CV00244, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Odalys Montejo v. Team Nissan LLC*, Ventura County Superior Court, Case No. 2023CUOE017853, approved as counsel in settlement of representative wage and hour action pursuant to PAGA
- *Vanessa Cortes v. Giti Tire (USA) LTD*, San Bernardino County Superior Court, Case No. CIVSB2332578, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Travis Sanford v. Santa Cruz Seaside Company*, Santa Cruz County Superior Court, Case No. 23CV01762, approved as counsel in final settlement of wage and hour class and PAGA action.
- *Jered Ortega v. YMCA of San Diego County*, San Diego County Superior Court, Case No. 37-2023-00043645-CU-OE-CTL, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court, Case No. 24CV00082, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alejandra Jimenez v. ClearFreight, Inc.*, Los Angeles County Superior Court, Case No. 23STCV28938, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Jazzmin Cortez v. Millard Mall Services, Inc.*, Riverside County Superior Court, Case No. CVRI2104010, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Christa Morton, et al. v. PSI Services, LLC*, Fresno County Superior Court, Case No. 24CECG00039, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Michael Bravo v. Michels Pacific Energy, Inc.*, Santa Clara County Superior Court, Case No. 22CV403427, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Rodriguez v. Republique, LLC*, Los Angeles County Superior Court, Case No. 23STCV14521, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Theresa Bendorf, et al. v. Sea World LLC, et al.*, San Diego County Superior Court, Case No. 37-2021-00034922-CU-OE-CTL, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Victor De La Cruz v. Northwest Pipe Company*, San Bernardino County Superior Court, Case No. CIVSB2211140, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Bobby Birdi v. Lucid USA, Inc.*, Alameda County Superior Court, Case No. 21CV003541, approved as class counsel in final settlement of wage and hour class

and PAGA action.

- *Jose Trujillo, et al. v. Producers Dairy Foods, Inc.*, Sacramento County Superior Court, Case No. 34-2022-00313753, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *David Williams v. Rancho Nicasio, LLC*, Marin County Superior Court, Case No. CIV2203067, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Alexander Jackson v. Lifecare Assurance Company*, Los Angeles County Superior Court, Case No. 23STCV26579, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Alexis Cardoza v. BHFC Operating LLC*, Los Angeles County Superior Court, Case No. 21STCV34040, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Maria Ayala, et al. v. SDH Services West, LLC*, Kern County Superior Court, Case No. BCV-21-101933, approved as class counsel in final settlement of wage and hour class action.
- *Alfredo Sanchez v. Greenworld, Inc.*, Riverside County Superior Court, Case No. CVRI2105756, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Oscar Bryant v. Midwest Construction Services, Inc. dba Trillium*, San Bernardino County Superior Court, Case No. CIVSB2121529, approved as class counsel in final settlement of wage and hour class action.
- *Matthew Savattieri v. AMI Expeditionary Healthcare, LLC, et al.*, Los Angeles County Superior Court, Case No. 21STCV33372, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Lexy Barajas, et al. v. H. W. Hunter, Inc.*, Los Angeles County Superior Court, Case No. 22STCV01892, approved as counsel in settlement of representative wage and

hour action pursuant to PAGA.

- *Alejandro Valdez v. C.H.I. Automart, Inc.*, Los Angeles County Superior Court, Case No. 21STCV40168, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sheizan Bawa v. Meathead Movers, Inc.*, Orange County Superior Court, Case No. 30-2021-01211895-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.
- *Tanisha Lopez, et al. v. Restorix Health, Inc.*, Los Angeles County Superior Court, Case No. 21STCV33067, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Perla Soto, et al. v. Nippon Express U.S.A., Inc.*, Los Angeles County Superior Court, Case No. 21STCV24902, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Angel Garcia, et al. v. J&B Investments, Inc., et al.,* San Bernardino County Superior Court, Case No. CIVSB2208601, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Sindy Aviles, et al. v. Freeway Insurance Services America, LLC*, Los Angeles County Superior Court, Case No. 21STCV34864, approved as counsel, in association with other counsel, in settlement of representative wage and hour action pursuant to PAGA.
- *Alexander Gnaedig, et al. v. Favorite Healthcare Staffing, Inc.,* Los Angeles County Superior Court, Case No. 21STCV20904, approved as class counsel, in association with other counsel, in final settlement of wage and hour class and PAGA action.
- *Richard Evans v. My Paint Stop, LLC, et al.,* Contra Costa County Superior Court, Case No. MSC21-01812, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Jose Luis Parada George v. Main Electric Supply Company, LLC, et al.,* Orange

County Superior Court, Case No. 30-2021-01220136-CU-OE-CXC, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

- *Samia Salazar Yunis v. Sharif Jewelers,* Sacramento County Superior Court, Case No. 34-2020-00290080, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Daniel Analco v. Felix Chevrolet, LP, et al.*, Los Angeles County Superior Court, Case No. 21STCV36654, approved as class counsel in final settlement of wage and hour class and PAGA action.
- *Sasha Aiono v. Benefit Cosmetics,* Los Angeles County Superior Court, Case No. 21STCV33719, approved as counsel in settlement of representative wage and hour action pursuant to PAGA.

EXHIBIT 2

BLACKSTONE LAW

8383 Wilshire Blvd., Suite 745
Beverly Hills, CA 90211
Phone: (310) 622-4278
Fax: (855) 786-6356

Alexander K. Spellman, Esq.
aspellman@blackstonepc.com

January 11, 2024

PAGA Claim Notice Via Online Electronic Submission
California Labor & Workforce Development Agency
800 Capitol Mall, Suite 5000 (MIC-55)
Sacramento, CA 95814
https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html

RE: ***Calvin Payne v. PDM Steel Service Centers, Inc.***

Dear Representative:

This office represents Calvin Payne ("Claimant") with respect to his claims under the California Labor Code against PDM Steel Service Centers, Inc. (including any and all affiliates, subsidiaries, parents, directors, and officers thereof) (collectively referred to herein as "Employer"). This letter is being sent simultaneously to Employer by certified mail.

Employer employed Claimant from approximately August 2018 through approximately March 2023 as a non-exempt, hourly-paid employee. During his employment with Employer, Claimant was employed as a machinery maintenance helper at Employer's location at 3535 E. Myrtle Street, Stockton, CA 95205. Employer is a steel manufacturer and distributor and maintains employees throughout the state of California.

Claimant intends to bring a representative action seeking penalties for violations of the California Labor Code which are recoverable under the Labor Code Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq*. ("PAGA"). Claimant is seeking penalties on behalf of Claimant and in a representative capacity on behalf of the State of California and all current and former hourly-paid and/or non-exempt employees who worked for Employer in the State of California during the relevant statutory period ("Aggrieved Employees"). This letter is being sent in compliance with California Labor Code section 2699.3 and shall serve as Claimant's notice of the provisions of the California Labor Code alleged to have been violated, including the facts and theories in support thereof.

As detailed below, Employer violated several of California's wage and hour laws during Claimant's employment, including but not limited to California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, and the Industrial Welfare Commission Wage Orders ("IWC Wage Orders"). The claims made on behalf of Claimant

and Aggrieved Employees are based upon the following facts and theories:

1. FAILURE TO PAY FOR ALL TIME WORKED AT CORRECT RATES OF PAY, INCLUDING MINIMUM WAGES, STRAIGHT TIME WAGES, AND OVERTIME COMPENSATION

Employer engaged in numerous unlawful practices which resulted in the failure to pay Claimant and other Aggrieved Employees for all time worked at the correct rates of pay, including minimum wages, straight time/regular rate wages, and overtime compensation.

California Labor Code sections 1194, 1197, and 1197.1 and IWC Wage Orders require employers to pay at least the legal minimum wage to their employees. California Labor Code sections 510 and 1198 and IWC Wage Orders further require employers to pay no less than one and one-half times the regular rate of pay of the employee for hours worked in excess of eight (8) hours in one workday, for hours worked in excess of forty (40) hours in one workweek, and for the first eight (8) hours worked on the seventh day of work in any one workweek, and to pay no less than twice the regular rate of pay of the employee for hours worked in excess of twelve (12) hours in one workday and for any work in excess of eight (8) hours on any seventh day of a workweek.

Throughout the relevant time period, Employer required Claimant and other Aggrieved Employees to perform work off-the-clock. Employer failed to compensate Claimant and other Aggrieved Employees for any of this off-the-clock work, in violation of California law. In addition, Employer utilized time rounding practices that resulted in the systematic underpayment of wages (including minimum wages, regular rate/straight time wages and overtime wages) to Claimant and Aggrieved Employees.

Employer also failed to accurately record the actual time worked by Claimant and Aggrieved Employees. Moreover, the uncompensated work described herein was often performed when Claimant and other Aggrieved Employees had already worked eight (8) hours in a day and/or forty (40) hours in week resulting in a failure to pay overtime compensation. Finally, Employer failed to pay overtime to Claimant and Aggrieved Employees for all overtime hours worked based on regular rates of pay correctly calculated to include all applicable remuneration, including non-discretionary commissions, non-discretionary bonuses, and non-discretionary performance pay.

As a result of the foregoing practices, Employer failed to pay Claimant and other Aggrieved Employees for all wages earned at the correct rates of pay, including minimum wages, straight time/regular rate wages, and overtime compensation. Accordingly, Employer violated IWC Wage Orders and California Labor Code sections 204, 510, 1194, 1197, 1197.1 and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558, 1197.1, and 1199; and attorneys' fees and costs.

2. FAILURE TO PROVIDE MEAL PERIODS AND PAY MEAL PERIOD PREMIUMS

California law requires employers to provide employees with an opportunity to take an uninterrupted meal period of no less than thirty (30) minutes before the end of the fifth hour of work when an employee works more than five (5) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). A second meal period of no less than thirty (30) minutes must be provided before the end of the tenth hour of work when an employee works more than ten (10) hours in a day. Cal. Lab. Code §§ 226.7, 512(a). When an employer fails to provide a meal or rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

During the relevant time period, Employer failed to provide Claimant and other Aggrieved Employees with legally compliant 30-minute meal periods. Claimant and other Aggrieved Employees were required by Employer to work more than five (5) hours per day but were not provided with uninterrupted 30-minute meal periods. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted 30-minute meal period when they worked over ten (10) hours per day. Employer regularly required Claimant and other Aggrieved Employees to work through their first and second meal periods, to take their first meal period after their fifth (5th) hour of work, and/or to take their second meal periods after their tenth (10th) hour of work. Meal periods, when provided, were oftentimes interrupted or cut short.

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely, complete and duty-free meal periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of meal periods or systematically disregarded its own purported meal period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant meal period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free meal periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant meal periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free meal periods; (6) Employer required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during meal periods; and (7) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free meal periods because of the priority placed on maximizing profits over employees' right to receive timely, uninterrupted, and duty-free meal periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their regular rate of pay for the meal periods which were not provided to them in compliance with California law. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 226.7, 512(a) and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; penalties pursuant to California Labor Code sections 558 and 1199; and attorneys' fees and costs.

3. FAILURE TO AUTHORIZE AND PERMIT REST PERIODS AND PAY REST PERIOD PREMIUMS

California law requires employers to authorize and permit employees to take an uninterrupted rest period of no less than ten (10) minutes rest for every four (4) hours, or major fraction thereof, worked. Cal. Lab. Code § 226.7. When an employer fails to authorize and permit a rest period, an hour of pay at the employee's regular rate of compensation is owed to the employee. Cal. Lab. Code § 226.7(c).

Employer failed to authorize and permit Claimant and other Aggrieved Employees to take legally compliant 10-minute rest periods. Employer required Claimant and other Aggrieved Employees to work through rest periods. Claimant and Aggrieved Employees were not provided with uninterrupted, duty-free rest periods when they worked more than four (4) hours or a major fraction thereof. Further, Claimant and other Aggrieved Employees were not provided with a second uninterrupted, duty-free rest period when they worked more than six (6) hours in a day, or a third uninterrupted, duty-free rest period after working more than ten (10) hours in day. In the rare event that a rest period was taken, it was frequently interrupted or cut short. Moreover, Claimant and other Aggrieved Employees were not completely relieved of duty as required by *Augustus v. ABM Security Services, Inc.,* 2 Cal.5th 257 (2016).

Employer's policies, practices, and procedures were responsible for the violations alleged above and prevented Claimant and other Aggrieved Employees from taking timely and complete rest periods because, amongst other reasons: (1) Employer did not have legally-compliant policies regarding the provision and timing of rest periods or systematically disregarded its own purported rest period policies; (2) Employer's management at various levels failed and refused to implement and enforce legally compliant rest period policies and practices; (3) Employer failed to adequately inform and train Claimant and other Aggrieved Employees regarding their right to take timely, uninterrupted, and duty-free rest periods; (4) Employer failed to adequately inform and train Claimant and other Aggrieved Employees about their right to premium wages for non-compliant rest periods; (5) Employer failed to ensure that there was adequate staffing to allow Claimant and other Aggrieved Employees to take timely, uninterrupted, and duty-free rest periods; (6) Employer required Claimant and other Aggrieved Employees to respond to work-related requests at all times, including during rest periods; and (7) Employer's policy and culture prevented Claimant and other Aggrieved Employees from taking timely, uninterrupted, and duty-free rest periods because of the priority placed on completing job requirements over employees' right to receive rest periods.

Claimant and other Aggrieved Employees did not receive an extra hour of wages at their

regular rate of pay for the rest periods which were not provided to them in compliance with California law. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 226.7, and 1198.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; Labor Code sections 558 and 1199 penalties; and attorneys' fees and costs.

4. FAILURE TO TIMELY PAY WAGES DURING EMPLOYMENT

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Employer failed to timely pay all wages earned because Claimant and other Aggrieved Employees were not paid all the wages they were owed including, *inter alia,* straight time/regular rate wages, minimum wages, overtime wages, meal and rest period premiums, or any other wages as they came due (*e.g*., gratuities, bonuses, commissions, etc.). Accordingly, Employer violated California Labor Code section 204(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to Labor Code section 2699; penalties pursuant to California Labor Code sections 210 and 1199; and attorneys' fees and costs.

5. FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS

California Labor Code section 226(a) requires an employer semimonthly or at the time of each payment of wages to furnish wage statements to its employees setting forth, *inter alia*, (1) gross wages earned, (2) total hours worked by the employee, (3) the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, (4) all deductions, provided that all deductions made on written orders of the employee may be aggregated and shown as one item, (5) net wages earned, (6) the inclusive dates of the period for which the employee is paid, (7) the name of the employee and only the last four digits of his or her social security number or an employee identification number other than a social security number, and (8) the name and address of the legal entity that is the employer.

As a result of the practices described herein, the wage statements provided to Claimant and other Aggrieved Employees failed to include the actual hours worked (including time spent working off-the-clock), the actual gross wages earned (including wages owed for time spent working off the

clock and meal and rest period premiums), and the correct rates of pay. The wage statements provided to Claimant and other Aggrieved Employees also failed to include the name of the legal entity that employed Claimant and the Aggrieved Employees. Accordingly, Employer violated California Labor Code section 226(a).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties; penalties pursuant to California Labor Code section 226.3; and attorneys' fees and costs.

6. FAILURE TO MAINTAIN ACCURATE RECORDS

California Labor Code section 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case, shall be kept on file for not less than two years. During the relevant time period, Employer failed to maintain accurate records relating to Claimant and other Aggrieved Employees' work periods, meal periods, total daily hours worked, and total hours worked per payroll period. Accordingly, Employer violated the applicable IWC Wage Orders and California Labor Code sections 1198.5 and 1174(d).

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; California Labor Code section 1174.5 penalties; and attorneys' fees and costs.

7. FAILURE TO REIMBURSE NECESSARY EXPENDITURES

California Labor Code sections 2800 and 2802 require an employer to reimburse its employees for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. The IWC Wage Orders require employers to provide employees with the tools or equipment necessary for the performance of their job. During the relevant time period, Claimant and Aggrieved Employees incurred necessary business-related expenses and costs that were not fully reimbursed by Employer. These costs include but are not limited to the usage of personal cell phones and related internet usage for work-related purposes.

Accordingly, Employer violated the IWC Orders and California Labor Code sections 2800 and 2802. Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to penalties paragraph of the applicable IWC Wage Orders; and attorneys' fees and costs.

8. FAILURE TO TIMELY PAY ALL WAGES UPON TERMINATION OF EMPLOYMENT

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

During the relevant time period, upon the termination of employment (including but not limited to when they were temporarily laid off, laid off, discharged, and/or resigned), Aggrieved Employees were not paid all wages due to them within twenty-four (24) hours or even within seventy-two (72) hours for those who resigned. Specifically, as a result of Employer's practices of requiring Aggrieved Employees to work off-the-clock without compensation, failing to pay proper overtime compensation, unlawful rounding practices, failure to properly calculate regular rates, and failure to accurately record all hours actually worked, Employer failed to pay Aggrieved Employees for all regular rate/straight time wages, minimum wages and overtime compensation owed to them upon termination of their employment. Employer also failed to pay Aggrieved Employees for meal period premiums and rest period premiums they were owed, amongst any other wages due (*e.g.*, gratuities, bonuses, commissions, etc.). Accordingly, Employer violated California Labor Code sections 201 and 202.

Claimant and Aggrieved Employees will therefore seek PAGA default penalties pursuant to California Labor Code section 2699; penalties pursuant to California Labor Code sections 203 and 1199; and attorneys' fees and costs.

9. EMPLOYER'S OTHER VIOLATIONS OF THE CALIFORNIA LABOR CODE

Finally, pursuant to *Huff v. Securitas Security Services USA, Inc*. (2018) 25 Cal.App.5th 745 ("*Huff*"), as an Aggrieved Employee, Claimant has standing, and intends, on behalf of LWDA, to pursue civil penalties against Employer for any and all other Labor Code violations committed by Employer. In *Huff*, the California Court of Appeals held that an employee alleging a single violation of the Labor Code under PAGA may also bring PAGA claims against Employer for all other alleged Labor Code violations, even those suffered by other employees of the same employer. According to the *Huff* decision, Claimant, as an "aggrieved" employee affected by at least one Labor Code violation may, and hereby does, pursue penalties on behalf of LWDA for unrelated Labor Code violations by Employer.

Employer is in direct violation of numerous California wage and hour laws including but not limited to said sections stated above. We hereby provide notice under the California Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq*., and specifically ask for an investigation, or if the agency does not intend to investigate the alleged

violations, a letter confirming the same so that we may allege a cause of action under PAGA against Employer for the violations discussed in this letter.

This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3. By law, an employee alleging a violation of one of the above referenced sections must notify his or her employer and the Labor and Workforce Development Agency (LWDA) before he or she can invoke the provisions of Sections 2699, *et seq*., by seeking redress in court. Cal. Lab. Code § 2699.3(a)(1). The LWDA must then notify the employer and the employee within 60 calendar days regarding whether it intends to investigate the alleged violation. Cal. Lab. Code § 2699.3(a)(2)(B). If the LWDA advises it will not investigate, or if no notice is provided within 65 calendar days, the employee may file a lawsuit invoking the provisions under Labor Code § 2699. Cal. Lab. Code § 2699.3(a)(2)(A). It is Claimant's intention to file a civil complaint and to bring the appropriate claims under California Labor Code § 2699 on behalf of themselves, the State of California and all Aggrieved Employees should your office not address Employer's alleged violations within this time.

If you have any questions or require additional information, please do not hesitate to contact my office. Thank you for your attention to this matter.

BLACKSTONE LAW

Alexander Spellman

Alexander K. Spellman, Esq.

cc: By U.S. Certified Mail, Return Receipt Requested

PDM Steel Service Centers, Inc
16100 N. 71st Street, Suite 400
Scottsdale, AZ 85254

PDM Steel Service Centers, Inc
Attn: C T Corporation System
Agent for Service of Process
330 N Brand Blvd, Suite 700
Glendale, CA 91203

EXHIBIT 3

JOINT STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Joint Stipulation of Class Action and PAGA Settlement ("Settlement," "Agreement," or "Settlement Agreement") is made and entered into by and between Plaintiffs Calvin Payne and Johnny Williams ("Plaintiffs" or "Class Representatives"), individually, and on behalf of all others similarly situated and on behalf of the State of California with respect to aggrieved employees, and Defendant PDM Steel Service Centers, Inc. ("Defendant") (together, Plaintiffs and Defendant are referred to as "Parties" and individually as "Party").

This Settlement Agreement shall be binding on Plaintiffs, Settlement Class Members (as defined herein), the State of California as to the employment of PAGA Employees (as defined herein), and Defendant, subject to the terms and conditions hereof and the approval of the Court.

RECITALS

1. On January 11, 2024, Plaintiff Calvin Payne provided written notice to the Labor and Workforce Development Agency ("LWDA") by online submission and to Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specific provisions of the California Labor Code alleged to have been violated by Defendant ("PAGA Letter").

2. On January 12, 2024, Plaintiffs filed a Class Action Complaint for Damages in the action entitled *Calvin Payne and Johnny Williams v. PDM Steel Service Centers, Inc.*, Los Angeles County Superior Court Case No. 24STCV00942 ("Action"), thereby commencing a putative class action against Defendant.

3. On March 21, 2024, Plaintiff Calvin Payne filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698 *Et Seq*. in the action entitled *Calvin Payne v. PDM Steel Service Centers, Inc.*, Los Angeles County Superior Court Case No. 24STCV07204 ("PAGA Action"), which alleged one cause of action under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698 *et seq*. ("PAGA") against Defendant.

4. On June 23, 2026, Plaintiff filed a First Amended Class and Representative Action Complaint ("Operative Complaint") in the Action, which added the PAGA claims alleged in the PAGA Action. Together, the Action and PAGA Action are referred to as the "Actions."

5. The Operative Complaint alleges ten (10) causes of action for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premium payments in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq*. based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations.

6. Defendant denies all material allegations set forth in the Actions and has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Actions, Released Class Claims (as defined herein), and Released PAGA Claims (as defined herein).

7. Class Counsel diligently investigated the class and PAGA claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of corporate policies and practices. The Parties have engaged in sufficient informal discovery and investigation to assess the relative merits of the claims and contentions of the Parties.

8. On July 29, 2025, the Parties participated in mediation with the Honorable Brian J. Walsh (Ret.) (the "Mediator"), a respected mediator of complex wage and hour actions, and with the assistance of the Mediator's evaluations, the Parties reached the settlement that is memorialized herein. The Parties' settlement discussions were conducted at arms' length, and the Settlement is the result of an informed and detailed analysis of Defendant's potential liability and exposure in relation to the costs and risks associated with continued litigation. Based on Class Counsel's investigation and evaluation, Class Counsel believes that the settlement with Defendant for the consideration and on the terms set forth in this Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members, State of California, and PAGA Employees in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

9. The Parties expressly acknowledge that this Settlement Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason this Settlement Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

10. The following definitions are applicable to this Settlement Agreement. Definitions contained elsewhere in this Settlement Agreement will also be effective.

a. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for Class Counsel's litigation and resolution of the Actions and all actual costs and expenses incurred and to be incurred by Class Counsel in connection with the Actions, as set forth in Paragraph 13.

b. "Class" or "Class Member(s)" means all individuals who are current or former hourly-paid and/or non-exempt employees of Defendant in the State of California at any time during the Class Period.

c. "Class Counsel" means Jonathan M. Genish, Barbara DuVan-Clarke, P.J. Van Ert, and Annabel Blanchard of Blackstone Law, APC, who will seek to be appointed counsel for the Class.

d. "Class List" means a complete list of all Class Members that Defendant will diligently and in good faith compile from its records and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft Office Excel spreadsheet containing the following information for each Class Member: (1) full name; (2) last known mailing address; (3) Social Security number; (4) number of Workweeks; and (5) Number of Pay Periods.

e. "Class Notice" means the Notice of Class Action Settlement, substantially in the form attached hereto as "**Exhibit A**."

f. "Class Period" means the period from January 12, 2020 through October 31, 2025.[1]

[1] The Class Period end date is subject to change pursuant to the terms of the Escalator Clause at Paragraph 17 of this Agreement

g. "Class Settlement" means the settlement and resolution of all Released Class Claims.

h. "Court" means the Superior Court of the State of California for the County of Los Angeles.

i. "Defendant's Counsel" means Spencer Skeen and Cameron Davila of Ogletree Deakins.

j. "Dispute" means a letter submitted by a Class Member disputing the number of Workweeks and/or Pay Periods which have been credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and the last four (4) digits of the Class Member's Social Security number; (c) clearly state that the Class Member disputes the number of Workweeks and/or Pay Periods credited to the Class Member and what the Class Member contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

k. "Effective Date" means the following: (i) if no Settlement Class Member objects to the Class Settlement, then the Effective Date will be the date of the Court enters judgment on its Final Approval Order and Judgment; or (ii) if any Settlement Class Member objects to the Class Settlement, the Effective Date will be the sixty-first (61st) calendar day after the date of Final Approval, provided no appeal is initiated by an objector; or (iii) if a timely appeal is initiated by an objector, then the Effective Date will be the day after final resolution of that appeal (including any requests for rehearing and/or petitions for certiorari), resulting in final judicial approval of the Settlement.

l. "Employer Taxes" means the employer's share of taxes and contributions in connection with the wages portion of Individual Settlement Shares, which shall be paid by Defendant in addition to the Gross Settlement Amount.

m. "Enhancement Payment(s)" means the amount to be paid to each Plaintiff, in recognition of their effort and work in prosecuting the Actions on behalf of Class Members and PAGA Employees, and general release of claims, as set forth in Paragraph 14.

n. "Final Approval" means the determination by the Court that the Settlement is fair, reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

o. "Final Approval Hearing" means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.

p. "Final Approval Order and Judgment" means the order granting final approval of the Settlement and entering judgment thereon, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

q. "Gross Settlement Amount" means the amount of One Million Twenty Thousand Three Hundred Twenty-Two Dollars ($1,020,322) to be paid by Defendant in full satisfaction of the Actions, Released Class Claims, and Released PAGA Claims, which includes all Attorneys' Fees and Costs, Enhancement Payments, PAGA Amount, Settlement Administration Costs, and Net Settlement Amount to be paid to the Settlement Class Members. Defendant shall pay the Employer Taxes separately and in addition to the Gross Settlement Amount. The Gross Settlement Amount is non-reversionary; no portion of the Gross Settlement Payment will return to Defendant. The Gross Settlement Amount is subject to increase, as provided in Paragraph 17.

r. "Individual PAGA Payment" means the *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under the PAGA Settlement, to be calculated in accordance with Paragraph 19.

s. "Individual Settlement Payment" means the net payment of each Settlement Class Member's Individual Settlement Share, after reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share, as provided in Paragraph 20.

t. "Individual Settlement Share" means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class Settlement, to be calculated in accordance with Paragraph 18.

u. "LWDA Payment" means the amount of Thirty-Seven Thousand Five Hundred Dollars ($37,500), i.e., 75% of the PAGA Amount, that the Parties have agreed to pay to the LWDA under the PAGA Settlement, as set forth in Paragraph 15.

v. "Net Settlement Amount" means the portion of the Gross Settlement Amount that is available for distribution to Settlement Class Members, which is the Gross Settlement Amount less the Court-approved Attorneys' Fees and Costs, Enhancement Payments, PAGA Amount, and Settlement Administration Costs.

w. "Notice of Objection" means a Settlement Class Member's written objection to the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the objector's full name, signature, address, telephone number, and the last four (4) digits of the objector's Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

x. "PAGA Amount" means the allocation of Fifty Thousand Dollars ($50,000) from the Gross Settlement Amount for the PAGA Settlement. Seventy-five percent (75%) of the PAGA Amount, or $37,500, will be paid to the LWDA (i.e., the LWDA Payment) and the remaining twenty-five percent (25%), or $12,500, will be distributed to the PAGA Employees (i.e., the PAGA Employee Amount).

y. "PAGA Employee(s)" means all individuals who are current or former hourly-paid and/or non-exempt employees of Defendant in the State of California at any time during the PAGA Period.

z. "PAGA Employee Amount" means the amount of Twelve Thousand Five Hundred Dollars ($12,500), i.e., 25% of the PAGA Amount, to be distributed to PAGA Employees on a *pro rata* basis based on their Pay Periods.

aa. "PAGA Period" means the period from January 11, 2023 through October 31, 2025.[2]

bb. "PAGA Settlement" means the settlement and resolution of all Released PAGA Claims.

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[2] The PAGA Period end date is subject to change pursuant to the terms of the Escalator Clause at Paragraph 17 of this Agreement

cc. "Pay Periods" means the number of pay periods each PAGA Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period.

dd. "Preliminary Approval" means the date on which the Court enters the Preliminary Approval Order.

ee. "Preliminary Approval Order" means the order granting preliminary approval of the Settlement, in a form and content mutually agreed to by the Parties, and subject to approval by the Court.

ff. "Released Class Claims" means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, which shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226, 226.2, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq*.

gg. "Released PAGA Claims" means any and all claims arising from any of the factual allegations in the PAGA Letter and the Operative Complaint, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq*., which shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

hh. "Released Parties" means Defendant and its current and former insurers, affiliates, subsidiaries, parent companies, predecessors, successors, assigns, exempt employees,

officers, directors, members, shareholders agents, attorneys, administrators, representatives, heirs, estates, powers-of-attorney, and any individual or entity that could be jointly liable with Defendant.

ii. "Request for Exclusion" means a letter submitted by a Class Member indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the Class Member's full name, signature, address, telephone number, and last four (4) digits of the Class Member's Social Security number; (c) clearly state that the Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.

jj. "Response Deadline" means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or Dispute, which shall be the date that is forty-five (45) calendar days from the initial mailing of the Class Notice by the Settlement Administrator to Class Members, unless the 45th day falls on a Sunday or Federal holiday, in which case the Response Deadline will be extended to the next day on which the United States Postal service is open. The Response Deadline may also be extended by express agreement between Class Counsel and Defendant's Counsel. In the event that a Class Notice is re-mailed to a Class Member, the Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original Response Deadline.

kk. "Settlement Administrator" means Apex Class Action LLC, or any other third-party class action settlement administrator agreed to by the Parties and approved by the Court for purposes of administrating the Settlement. The Parties and their counsel each represent that they do not have any financial interest in the Settlement Administrator or otherwise have a relationship with the Settlement Administrator that could create a conflict of interest.

ll. "Settlement Administration Costs" means the costs payable from the Gross Settlement Amount to the Settlement Administrator for administrating the Settlement, as set forth in Paragraph 16.

mm. "Settlement Class" or "Settlement Class Member(s)" means all Class Members who do not submit a timely and valid Request for Exclusion.

nn. "Workweeks" means the number of weeks each Class Member worked for

Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period.

CLASS CERTIFICATION

11. For the purposes of this Settlement only, the Parties stipulate to the certification of the Class.

12. The Parties agree that certification for the purpose of settlement is not an admission that certification is proper under Section 382 of the California Code of Civil Procedure. Should, for whatever reason, the Court not grant Final Approval, the Parties' stipulation to class certification as part of the Settlement shall become null and void ab initio and shall have no bearing on, and shall not be admissible in connection with, the issue of whether or not certification would be inappropriate in a non-settlement context.

TERMS OF THE AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set forth herein, the Parties agree, subject to the Court's approval, as follows:

13. Attorneys' Fees and Costs. Defendant agrees not to oppose or impede any application or motion by Class Counsel for attorneys' fees in the amount up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., $357,112.70 if the Gross Settlement Amount is $1,020,322.00) and reimbursement of actual costs and expenses associated with Class Counsel's litigation and settlement of the Actions, in an amount not to exceed Forty Thousand Dollars ($40,000), both of which will be paid from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the litigation of the Actions, including without limitation all work performed and costs incurred to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received, and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments. The Settlement Administrator shall issue an IRS Form 1099 to Class Counsel for the Attorneys' Fees and Costs. Any portion of the requested Attorneys' Fees and Costs that is not awarded

by the Court to Class Counsel shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

14. Enhancement Payment(s). Defendant agrees not to oppose or impede any application or motion by Plaintiffs for an Enhancement Payment in the amount up to Ten Thousand Dollars ($10,000) to each Plaintiff, for a total of $20,000. The Enhancement Payments, which will be paid from the Gross Settlement Amount, subject to Court approval, will be in addition to each Plaintiff's Individual Settlement Payment as a Settlement Class Member and Individual PAGA Payment as a PAGA Employee (where applicable). Plaintiffs shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. The Settlement Administrator shall issue an IRS Form 1099 to Plaintiffs for the Enhancement Payments. Any portion of a requested Enhancement Payment that is not awarded by the Court to a Plaintiff shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

15. PAGA Amount. Subject to approval by the Court, the Parties agree that the amount of Fifty Thousand Dollars ($50,000) shall be allocated from the Gross Settlement Amount toward penalties under the Private Attorneys General Act, California Labor Code Section 2698, *et seq*. (i.e., the PAGA Amount), of which seventy-five percent (75%), or $37,500, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%), or $12,500, will be distributed to PAGA Employees (i.e., the PAGA Employee Amount) on a *pro rata* basis, based on the total number of Pay Periods worked by each PAGA Employee during the PAGA Period (i.e., the Individual PAGA Payments).

16. Settlement Administration Costs. The Settlement Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed Eight Thousand Dollars ($8,000). These costs, which will be paid from the Gross Settlement Amount, subject to Court approval, will include, *inter alia*, translating the Class Notice to Spanish, printing, distributing, and tracking Class Notices and other documents for the Settlement, calculating and distributing payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings, withholdings, and remittances,

providing necessary reports and declarations, and other duties and responsibilities set forth herein to process the Settlement, and as requested by the Parties. To the extent the actual Settlement Administrator's costs are greater than the estimated amount stated herein, such excess amount will be deducted from the Gross Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required to fulfill payment to the Settlement Administrator to undertake the required settlement administration duties shall be reallocated to the Net Settlement Amount for the benefit of the Settlement Class Members.

17. Escalator Clause. Defendant has represented that the Class Members worked a total of 41,084 Workweeks during the Class Period. If it is determined by the Settlement Administrator that the total number of Workweeks worked by the Class Members during the Class Period actually exceeds 41,084 by more than 10% (i.e., if the Workweeks exceed 45,192), then the Gross Settlement Amount will be increased on a *pro rata* basis equal to the percentage increase in the number of Workweeks worked by the Class Members above 10%. For example, if the number of Workweeks increases by 11% to 45,567 Workweeks, then the Gross Settlement Amount will increase by 1%. In the alternative, Defendant may elect to shorten the Class Period to end on the date when the Workweeks equal or do not exceed 41,084 Workweeks.

18. Individual Settlement Share Calculations. Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' number of Workweeks, as follows:

a. After Preliminary Approval, the Settlement Administrator will divide the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield each Class Member's estimated Individual Settlement Share that the Class Member may be entitled to receive under the Class Settlement.

b. After Final Approval, the Settlement Administrator will divide the final Net Settlement Amount by the Workweeks of all Settlement Class Members to yield the "Final Workweek Value," and multiply each Settlement Class Member's individual Workweeks by the Final Workweek

Value to yield each Settlement Class Member's final Individual Settlement Share.

19. Individual PAGA Payment Calculations. Individual PAGA Payments will be calculated and apportioned from the PAGA Employee Amount based on the PAGA Employees' number of Pay Periods, as follows: The Settlement Administrator will divide the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "Pay Period Value," and multiply each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

20. Tax Treatment of Individual Settlement Shares and Individual PAGA Payments. Each Individual Settlement Share will be allocated as follows: twenty percent (20%) wages and eighty percent (80%) penalties, interest, and non-wage damages. The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. The Settlement Administrator will withhold the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). The Employer Taxes will be paid separately and in addition to the Gross Settlement Amount. Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Settlement Administrator.

21. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiffs, Settlement Class Members, PAGA Employees, and Class Counsel any tax forms (i.e., IRS Forms W-2, IRS Forms 1099, etc.) as may be required by law for all amounts paid pursuant to this Settlement Agreement. The Settlement Administrator will also be responsible for calculating the Employer Taxes and forwarding all payroll taxes and other legally required withholdings to the appropriate government authorities.

22. Tax Liability. Plaintiffs, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Settlement Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement Agreement be relied on as such. Plaintiffs, Settlement Class Members, and PAGA Employees are not relying on any statement, representation, or calculation

by Defendant, the Settlement Administrator, or Class Counsel in this regard. Plaintiffs, Settlement Class Members, and PAGA Employees understand and agree that Plaintiffs, Settlement Class Members, and PAGA Employees will be solely responsible for the payment of any taxes and penalties assessed on the payments described in this Settlement Agreement. Plaintiffs, Settlement Class Members, and PAGA Employees should consult with their tax advisors concerning the tax consequences of any payment they receive under the Settlement.

23. Circular 230 Disclaimer. EACH PARTY TO THIS SETTLEMENT AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS SETTLEMENT AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS SETTLEMENT AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISORS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER, OR ITS OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS SETTLEMENT AGREEMENT, (B) HAS NOT ENTERED INTO THIS SETTLEMENT AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISOR TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISOR'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY

TRANSACTION CONTEMPLATED BY THIS SETTLEMENT AGREEMENT.

24. Settlement Awards Do Not Trigger Additional Benefits. All payments made under the Settlement shall be deemed to be paid to the payee solely in the year in which such payments actually are issued to the payee. It is expressly understood and agreed that payments made under this Settlement shall not in any way entitle Plaintiffs, Settlement Class Members, or any PAGA Employee to additional compensation or benefits under any new or additional compensation or benefits, or any bonus, contest, or other compensation or benefit plan or agreement in place during the Class Period, nor will it entitle Plaintiffs, Settlement Class Members, or any PAGA Employee to any increased retirement, 401K benefits or matching benefits, or deferred compensation benefits (notwithstanding any contrary language or agreement in any benefit or compensation plan document that might have been in effect during the Class Period).

25. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement. Plaintiffs will obtain a hearing date from the Court for Plaintiff's motion for preliminary approval of the Settlement, which Class Counsel will be responsible for drafting, and submit this Settlement Agreement to the Court in support of said motion. Class Counsel will provide Defendant's Counsel a draft of the preliminary approval motion before filing it with the Court. Defendant agrees not to oppose the motion for preliminary approval of the Settlement consistent with this Settlement Agreement. By way of said motion, Plaintiffs will apply for the entry of the Preliminary Approval Order seeking the following:

a. Conditionally certifying the Class for settlement purposes only;

b. Granting Preliminary Approval of the Settlement;

c. Preliminarily appointing Plaintiffs as the representatives of the Class;

d. Preliminarily appointing Class Counsel as counsel for the Class;

e. Approving as to form and content, the mutually-agreed upon and proposed Class Notice and directing its mailing by First Class U.S. Mail;

f. Approving the manner and method for Class Members to request exclusion from or object to the Class Settlement as contained herein and within the Class Notice; and

g. Scheduling a Final Approval Hearing at which the Court will determine whether

Final Approval of the Settlement should be granted.

26. Notice of Settlement to the LWDA. Pursuant to California Labor Code § 2699(s)(2), Class Counsel shall notify the LWDA of the Settlement.

27. Delivery of Class List. Within fourteen (14) calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. The Class List shall not be shared with either Plaintiffs or Class Counsel unless expressly approved by Defendant and Defense Counsel. To protect Class Members' privacy rights, the Administrator must maintain the Class List in confidence, use the Class List only for purposes of the Settlement and for no other purpose, and restrict access to the Class List to Administrator employees who need access to the Class List to effect and perform under this Agreement.

28. Notice by First-Class U.S. Mail.

a. Within ten (10) business days after receiving the Class List from Defendant, the Settlement Administrator will perform a search based on the National Change of Address Database or any other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English and Spanish (in the form attached as **Exhibit A** to this Settlement Agreement) to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

b. Any Class Notice returned to the Settlement Administrator as undeliverable on or before the Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice. If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search, using the name, address, and/or Social Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.

c. Compliance with the procedures described herein above shall constitute due and sufficient notice to Class Members of the Settlement and shall satisfy the requirements of due process. Nothing else shall be required of or done by the Parties, Class Counsel, or Defendant's Counsel to

provide notice of the Settlement.

29. Disputes Regarding Workweeks and/or Pay Periods. Class Members will have an opportunity to dispute the number of Workweeks and/or Pay Periods which have been credited to them, as reflected in their respective Class Notices, by submitting a timely and valid Dispute to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Dispute has been timely submitted. Absent evidence rebutting the accuracy of Defendant's records and data as they pertain to the number of Workweeks and/or Pay Periods to be credited to a disputing Class Member, Defendant's records will be presumed to be correct and determinative of the dispute. However, if a Class Member produces information and/or documents to the contrary, the Settlement Administrator will evaluate the materials submitted by the Class Member and the Settlement Administrator will resolve and determine the number of eligible Workweeks and/or Pay Periods that the disputing Class Member should be credited with under the Settlement. The Settlement Administrator's decision on such disputes will be final and non-appealable.

30. Requesting Exclusion from the Class Settlement. Any Class Member wishing to be excluded from the Class Settlement must submit a timely and valid Request for Exclusion to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the number of timely and valid Requests for Exclusion that are submitted, and also identify the individuals who have submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Class Members to request exclusion from the Class Settlement. Any Class Member who submits a Request for Exclusion is prohibited from making any objection to the Class Settlement. Any Class Member who submits a timely and valid Request for Exclusion will not be bound by the Class Settlement and will not be issued an Individual Settlement Payment. Any Class Member who does not affirmatively request exclusion from the Class Settlement by submitting a timely and valid Request for Exclusion

will be bound by all of the terms of the Class Settlement, including and not limited to those pertaining to the Released Class Claims, as well as any judgment that may be entered by the Court if it grants Final Approval to the Settlement. Notwithstanding the above, all PAGA Employees will be bound to the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

31. Objecting to the Class Settlement. To object to the Class Settlement, Settlement Class Members must submit a timely and complete Notice of Objection to the Settlement Administrator, by mail, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope will be the exclusive means to determine whether a Notice of Objection has been timely submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel the number of Notices of Objection that are submitted (specifying which ones were timely and complete and which were not), and also attach them to a declaration that is to be filed with the Court in advance of the Final Approval Hearing. At no time will any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to object to the Class Settlement or appeal from the Final Approval Order and Judgment. Settlement Class Members, individually or through counsel, may also present their objection orally at the Final Approval Hearing, regardless of whether they have submitted a Notice of Objection.

32. Reports by the Settlement Administrator. The Settlement Administrator shall provide weekly reports to counsel for the Parties providing: (a) the number of undeliverable and re-mailed Class Notices; (ii) the number of Class Members who have submitted Disputes; (iii) the number of Class Members who have submitted Requests for Exclusion; and (iv) the number of Settlement Class Members who have submitted Notices of Objection. Additionally, the Settlement Administrator will provide to counsel for the Parties any updated reports regarding the administration of the Settlement Agreement as needed or requested, and immediately notify the Parties when it receives a request from an individual or any other entity regarding inclusion in the Class and/or Settlement or regarding a Dispute.

33. Defendant's Right to Rescind. If more than ten percent (10%) of the Class Members submit timely and valid Requests for Exclusion, Defendant may elect to rescind the Settlement

Agreement. Defendant must exercise this right of rescission in writing that is provided to Class Counsel within fourteen (14) calendar days of the Settlement Administrator notifying the Parties of the number of Class Members who have submitted timely and valid Requests for Exclusion following the Response Deadline. If Defendant exercises this option, Defendant shall pay any costs of settlement administration owed to the Settlement Administrator incurred up to that date. Neither side shall encourage any Class Member to opt out. The foregoing percentage shall not be revealed in any document publicly-filed or made available except may be presented to the Court for in camera inspection.

34. Certification of Completion. Upon completion of administration of the Settlement, the Settlement Administrator will provide a written declaration under oath to certify such completion to the Court and counsel for all Parties.

35. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After the Response Deadline, a Final Approval Hearing will be conducted to determine whether Final Approval of the Settlement should be granted, along with the amounts properly payable for: (a) Individual Settlement Shares; (b) Individual PAGA Payments; (c) LWDA Payment; (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration Costs. Plaintiffs and Class Counsel will be responsible for drafting the motion seeking Final Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the final approval motion before filing it with the Court. By way of said motion, Plaintiffs will apply for the entry of the Final Approval Order and Judgment, which will provide for, in substantial part, the following:

a. Approval of the Settlement as fair, reasonable, and adequate, and directing consummation of its terms and provisions;

b. Certification of the Settlement Class;

c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

d. Approval of the application for Enhancement Payment to Plaintiff;

e. Directing Defendant to fund all amounts due under the Settlement Agreement and ordered by the Court; and

f. Entering judgment in the Action, while maintaining continuing jurisdiction, in

conformity with California Rules of Court 3.769 and the Settlement Agreement.

36. Funding of the Gross Settlement Amount. No later than twenty-one (21) business days after the Effective Date, Defendant will deposit the Gross Settlement Amount and Employer Taxes into a Qualified Settlement Fund ("QSF") within the meaning of Treasury Regulation Section 1.468B-1, *et seq.*, to be established by the Settlement Administrator. Defendant shall provide all information necessary for the Settlement Administrator to calculate necessary payroll taxes including its official name, 8-digit state unemployment insurance tax ID number, and other information requested by the Settlement Administrator..

37. Distribution of the Gross Settlement Amount. Within ten (10) business days of the funding of the Gross Settlement Amount, the Settlement Administrator will issue the Individual Settlement Payments to Settlement Class Members, Individual PAGA Payments to PAGA Employees, LWDA Payment to the LWDA, Enhancement Payment to Plaintiffs, Attorneys' Fees and Costs to Class Counsel, and Settlement Administration Costs to itself. The Settlement Administrator shall also set aside the Employer Taxes and all employee-side payroll taxes, contributions, and withholding, and timely forward these to the appropriate government authorities.

38. Settlement Checks. The Settlement Administrator will be responsible for undertaking appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments by way of check to the Settlement Class Members and the Individual PAGA Payments by way of check to the PAGA Employees in accordance with this Settlement Agreement. When issuing payments, the Settlement Administrator may combine the Individual Settlement Payment and Individual PAGA Payment into one check if the intended recipient for both payments is one individual. Settlement Class Members and PAGA Employees are not required to submit a claim to be issued an Individual Settlement Payment and/or Individual PAGA Payment. Each Individual Settlement Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. Any funds associated with such canceled checks shall be distributed by the Settlement Administrator to the State of California's Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to

Settlement Class Members, whether or not they cash their settlement checks. Therefore, Defendant will not be required to pay any interest on such amounts. The Settlement Administrator shall undertake amended and/or supplemental tax filings and reporting required under applicable local, state, and federal tax laws that are necessitated due to the cancelation of any Individual Settlement Payment and/or Individual PAGA Payment checks. Settlement Class Members whose Individual Settlement Payment checks are canceled shall, nevertheless, be bound by the Class Settlement, and PAGA Employees whose Individual PAGA Payment checks are canceled shall, nevertheless, be bound by the PAGA Settlement.

39. Class Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

40. PAGA Settlement Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

41. Plaintiffs' General Release. Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, individually and on each of their own behalf, will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action of any kind or nature whatsoever, known or unknown, suspected or unsuspected, asserted or unasserted, arising out of, relating to, or resulting from their employment and/or separation of employment with Defendant, which Plaintiffs, at any time up until the execution of the Settlement Agreement, had or claimed to have or may have. This includes without limitation to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint; (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint, the PAGA Notices, or ascertained during the Actions; and (c) any and all claims which in any way relate to Plaintiffs' employment with

Defendant, under State or Federal law, in tort, common law, statute, contract, or equity, whether pled in the Operative Complaint or not, including but not limited to any claims under the Fair Labor Standards Act ("FLSA"), Title VII, Americans with Disabilities Act ("ADA"), Fair Employment and Housing Act ("FEHA"), Age Discrimination in Employment Act ("ADEA"), Private Attorneys General Act ("PAGA"), California Labor Code, or any Industrial Welfare Commission Wage Order—now existing or arising in the future, based on any act, omission, event, occurrence, or nonoccurrence from the beginning of time to the date of execution hereof. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that the Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

It is agreed that this is a general release and is to be broadly construed as a release of all claims, provided that, notwithstanding the foregoing, this Paragraph expressly does not include a release of any claims that cannot be released hereunder by law. Any and all rights granted under any state or federal law or regulation limiting the effect of the Settlement Agreement, including the provisions of Section 1542 of the California Civil Code, ARE HEREBY EXPRESSLY WAIVED. Section 1542 of the California Civil Code reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

42. Final Approval Order and Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Approval Order and Judgment once it is entered by the Court. The Administrator shall post the Final Approval Order and Judgment on the website established for this settlement for sixty (60) calendar days. No individualized notice of the Final Approval Order and Judgment to the Class will be required.

43. Continued Jurisdiction. After entry of the judgment pursuant to the Settlement, the Court will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and

Section 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement Agreement.

44. Effects of Termination or Rescission of Settlement. Termination or rescission of the Settlement Agreement shall have the following effects:

a. The Settlement Agreement shall be void and shall have no force or effect, and no Party shall be bound by any of its terms;

b. In the event the Settlement Agreement is terminated, Defendant shall have no obligation to make any payments to any Party, Class Member, or attorney, except that the terminating Party shall pay the Settlement Administrator for services rendered up to the date the Settlement Administrator is notified that the Settlement has been terminated;

c. The Preliminary Approval Order and Final Approval Order and Judgment, including any order certifying the Class, shall be vacated;

d. The Settlement Agreement and all negotiations, statements, and proceedings relating thereto shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective positions in the Action prior to the execution of the Settlement Agreement;

e. Neither this Settlement Agreement, nor any ancillary documents, actions, statements, or filings in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible or offered into evidence in the Action or any other action for any purpose whatsoever; and

f. Any documents generated to bring the Settlement into effect, will be null and void, and any order or judgment entered by the Court in furtherance of this Settlement Agreement will likewise be treated as void from the beginning.

45. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

46. Exhibits Incorporated by Reference. The terms of this Settlement include the terms set forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Settlement Agreement are an integral part of the Settlement.

47. Entire Agreement. This Settlement Agreement and any attached exhibits constitute the entirety of the Parties' agreement relating to the settlement and transaction completed thereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code Section 1625 and California Code of Civil Procedure Section 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary, or contradict the terms of this Settlement Agreement.

48. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Action (including with respect to California Code of Civil Procedure Section 583.310), except such proceedings necessary to implement and complete this Settlement Agreement, pending the Final Approval Hearing to be conducted by the Court.

49. Amendment or Modification. Prior to the filing of the motion for preliminary approval of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement except by written agreement signed by counsel for all Parties. After the filing of the motion for preliminary approval of the Settlement, the Parties may not amend or modify any provision of this Settlement Agreement except by written agreement signed by counsel for all the Parties and subject to Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

50. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Settlement Agreement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Settlement Agreement. The Parties warrant that they understand and have full authority to enter into this Settlement Agreement, and further intend that this Settlement

Agreement will be fully enforceable and binding on all Parties, and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under state or federal law.

51. Signatories. It is agreed that because the members of the Class are so numerous, it is impossible or impractical to have each Settlement Class Member or PAGA Employee execute this Settlement Agreement. The Class Notice will advise all Class Members of the binding nature of the Class Settlement as to the Settlement Class Members and the binding nature of the PAGA Settlement as to the PAGA Employees, and the releases provided for by this Settlement Agreement shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member and PAGA Employee.

52. Binding on Successors and Assigns. This Settlement Agreement will be binding upon, and inure to the benefit of, the successors or assigns of the Parties hereto, as previously defined.

53. California Law Governs. All terms of this Settlement Agreement and attached exhibits hereto will be governed by and interpreted according to the laws of the State of California.

54. Execution and Counterparts. This Settlement Agreement is subject only to the execution of all Parties. However, this Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them, including facsimile, electronic, and scanned copies of the signature page, will be deemed to be one and the same instrument.

55. Acknowledgement that the Settlement is Fair and Reasonable. The Parties believe this Settlement Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this Settlement after arm's length negotiations and in the context of adversarial litigation, taking into account all relevant factors, present and potential. The Parties further acknowledge that they are each represented by competent counsel and that they have had an opportunity to consult with their counsel regarding the fairness and reasonableness of this Settlement Agreement. In addition, if necessary to obtain approval of the Settlement, the Mediator may execute a declaration supporting the Settlement and the reasonableness of the Settlement and the Court may, in its discretion, contact the Mediator to discuss the Settlement and whether or not the Settlement is objectively fair and reasonable.

56. Invalidity of Any Provision. Before declaring any provision of this Settlement Agreement invalid, the Court will first attempt to construe the provision as valid to the fullest extent

possible consistent with applicable precedents so as to define all provisions of this Settlement Agreement valid and enforceable.

57. Enforcement Action. In the event that one or more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement Agreement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees, in connection with any enforcement actions.

58. Cooperation. Plaintiffs agree to sign this Settlement Agreement and, by signing this Settlement Agreement, are hereby bound by the terms herein and agree to fully cooperate to implement the Settlement. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution. If the Court believes the amount of Settlement Administration Costs; Attorneys' Fees and Costs; Enhancement Payments; or the PAGA Amount should be modified, the other terms of the settlement will remain in effect and any such reduction will not affect the remaining terms, other than adjusting the Net Settlement Amount. A reduction to the Attorneys' Fees and Costs; Enhancement Payments; or PAGA Amount is not a ground for rescinding the settlement.

59. Non-Admission of Liability. The Parties enter into this Settlement Agreement to resolve the dispute that has arisen between them and to avoid the burden, expense, and risk of continued litigation. In entering into this Settlement Agreement, Defendant does not admit, and specifically denies, it has violated any federal, state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws, regulations, or legal requirements; breached any contract; violated or breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful conduct with respect to its employees. Neither this Settlement Agreement, nor any of its terms or provisions, nor any of the negotiations connected with it, shall be

construed as an admission or concession by Defendant of any such violations or failures to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Defendant or to establish the existence of any condition constituting a violation of, or a non-compliance with, federal, state, local, or other applicable law.

60. Use and Return of Class Data. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data/List provided to Class Counsel by Defendants in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiffs shall destroy, all paper and electronic versions of Class List received from Defendant.

61. No Publicity. Plaintiffs and Class Counsel will not contact the media about the settlement or respond to any inquiries by the media regarding the Settlement, other than to state that the matter was amicably settled, and the Court did not find Defendant liable. Plaintiffs and their respective counsel also will not post any information about the settlement on social media or their firms' websites.

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

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

63. Captions. The captions and paragraph numbers in this Settlement Agreement are inserted for the reader's convenience, and in no way define, limit, construe, or describe the scope or intent of the provisions of this Settlement Agreement.

64. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement Agreement. Accordingly, this Settlement Agreement will not be construed more strictly against one Party than another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all Parties have contributed equally to the preparation of this Settlement Agreement.

65. Representation By Counsel. The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement Agreement, and that this Settlement Agreement has been executed with the consent and advice of counsel, and reviewed in full.

66. All Terms Subject to Final Court Approval. All amounts and procedures described in this Settlement Agreement herein will be subject to final Court approval.

67. Notices. All notices, demands, and other communications to be provided concerning the Settlement Agreement shall be in writing and deemed to have been duly given as of the third business day after mailing by First Class U.S. Mail, or the day sent by email or messenger, addressed as follows:

///

///

To Plaintiffs and Class Counsel:
Jonathan M. Genish
jgenish@blackstonepc.com
Barbara DuVan-Clarke
bdc@blackstonepc.com
P.J. Van Ert
pjvanert@blackstonepc.com
Annabel Blanchard
ablanchard@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

To Defendant:
Spencer C. Skeen
spencer.skeen@ogletree.com
Cameron J. Davila
cameron.davila@ogletree.com
OGLETREE, DEAKINS, NASH, SMOAK & STEWART, P.C.
4660 La Jolla Village Drive, Suite 900
San Diego, CA 92122
Tel : 858-652-3100 / Fax : 858-652-3101

68. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the Settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Settlement Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Settlement Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Joint Stipulation of Class Action and PAGA Settlement between Plaintiffs and Defendant:

IT IS SO AGREED.

PLAINTIFF CALVIN PAYNE

Dated: 9-18-26

Calvin Payne
Plaintiff Calvin Payne

PLAINTIFF JOHNNY WILLIAMS

Dated: 07/01/2026

Johnny Williams

Plaintiff Johnny Williams

DEFENDANT PDM STEEL SERVICE CENTERS, INC.

Dated: _____

_____

Full Name: _____

Title: _____

On behalf of Defendant PDM Steel Service Centers, Inc.

APPROVED AS TO FORM:

Dated: 7/2/2026

BLACKSTONE LAW, APC

A. Blanchard

Barbara DuVan-Clarke
Annabel Blanchard
Counsel for Plaintiffs Calvin Payne and Johnny Williams

Dated:

OGLETREE DEAKINS

_____

Spencer Skeen
Cameron Davila
Counsel for Defendant, PDM Steel Service Centers, Inc.

Docusign Envelope ID: 9C52D519-7D09-8444-810B-4CD70384E0A6

PLAINTIFF JOHNNY WILLIAMS

Dated: _____

_____
Plaintiff Johnny Williams

DEFENDANT PDM STEEL SERVICE CENTERS, INC.

Dated: 08-Aug-2026

Signed by:
James McBride
A70DCF4D0BB7451...

Full Name: _____

Title: _____
On behalf of Defendant PDM Steel Service Centers, Inc.

APPROVED AS TO FORM:

Dated:

BLACKSTONE LAW, APC

_____
Barbara DuVan-Clarke
Annabel Blanchard
Counsel for Plaintiffs Calvin Payne and Johnny Williams

Dated: October 1, 2026

OGLETREE DEAKINS

_____
Spencer Skeen
Cameron Davila
Counsel for Defendant, PDM Steel Service Centers, Inc.

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Payne, et al. v. PDM Steel Service Centers, Inc.
Superior Court of California for the County of Los Angeles, Case No. 24STCV00942

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Class Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks and/or Pay Periods that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Calvin Payne and Johnny Williams ("Plaintiffs") and Defendant PDM Steel Service Centers, Inc. ("Defendant") (Plaintiffs and Defendant are collectively referred to as the "Parties") in the case entitled *Calvin Payne and Johnny Williams v. PDM Steel Service Centers, Inc.*, Los Angeles County Superior Court, Case No. 24STCV00942 ("Action"), which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"**Class**" or "**Class Member(s)**" means all individuals who are current or former hourly-paid and/or non-exempt employees of Defendant in the State of California at any time during the Class Period

"**Class Period**" means the period from January 12, 2020 through October 31, 2025.

"**Class Settlement**" means the settlement and resolution of all Released Class Claims.

"**PAGA Employee(s)**" means all individuals who are current or former hourly-paid and/or non-exempt employees of Defendant in the State of California at any time during the PAGA Period.

"**PAGA Period**" means the period from January 11, 2023 through October 31, 2025.

"**PAGA Settlement**" means the settlement and resolution of all Released PAGA Claims.

II. BACKGROUND OF THE ACTION

On January 11, 2024, Plaintiff Calvin Payne provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that Plaintiff contends were violated ("PAGA Letter"). On January 12, 2024, Plaintiffs commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Action. On June 23, 2026, Plaintiffs filed a First Amended Class and Representative Action Complaint. ("Operative Complaint") in the Action.

Plaintiffs contend that Defendant failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, and reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business and Professions Code section 17200, *et seq*., and conduct that gives rise to penalties under the Private Attorneys General Act of 2004 pursuant to California Labor Code Section 2698, *et seq*. ("PAGA"). Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations in the Action or that it violated any law.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into a Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement").

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Apex Class Action, LLC as the administrator of the Settlement ("Settlement Administrator"), Plaintiffs Calvin Payne and Johnny Williams as representatives of the Class ("Class Representatives"), and the following Plaintiffs' attorneys as counsel for the Class ("Class Counsel"):

Jonathan M. Genish
Barbara DuVan-Clarke
P.J. Van Ert
Annabel Blanchard
Blackstone Law, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks and/or Pay Periods credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are a PAGA Employee, you do not need to take any action to receive an Individual PAGA Payment; you will not have the opportunity to object or seek exclusion from the PAGA Settlement and all PAGA Employees will be bound to the PAGA Settlement if the Court grants final approval of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Action have merit or that Defendant has any liability to Plaintiffs, Class Members, or PAGA Employees. Plaintiffs and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members, the State of California, and PAGA Employees.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Twenty Thousand Three Hundred Twenty-Two Dollars ($1,020,322) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount less the following payments which are subject to approval by the Court: (1) attorneys' fees, in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., $357,112.[70]), and reimbursement of litigation costs and expenses, in an amount not to exceed Forty Thousand Dollars ($40,000) to Class Counsel; (2) Enhancement Payments not to exceed Ten Thousand Dollars ($10,000) to each Plaintiff for his services in the Action (for a total of $20,000); (3) the amount of Fifty Thousand Dollars ($50,000) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Amount"), of which the LWDA will be paid 75% ($37,500) ("LWDA Payment") and the remaining 25% ($12,500) will be distributed to PAGA Employees ("PAGA Employee Amount"); and (4) Settlement Administration Costs in an amount not to exceed Eight Thousand Dollars ($8,000) to the Settlement Administrator.

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") based on the number of weeks each Class Member worked for Defendant as an hourly-paid and/or non-exempt employee in California during the Class Period ("Workweeks"). The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members to yield the "Estimated Workweek Value," and multiplied each Class Member's individual Workweeks by the Estimated Workweek Value to yield an estimated Individual Settlement Share that each Class Member may be entitled to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") will be issued their final Individual Settlement Payment.

Each Individual Settlement Share will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2, and eighty percent (80%) as penalties, interest, and non-wage damages, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of payroll taxes and withholdings with respect to the wages portion of the Individual Settlement Shares resulting in a net payment to the Settlement Class Member ("Individual Settlement Payment"). The employer's share of taxes and contributions in connection with the wages portion of Individual Settlement Shares ("Employer Taxes") will be paid by Defendant separately and in addition to the Gross Settlement Amount.

PAGA Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Employee Amount ("Individual PAGA Payment") based on the number of pay periods each PAGA Employee worked for Defendant as an hourly-paid and/or non-exempt employee in California during the PAGA Period ("Pay Periods"). The Settlement Administrator had divided the PAGA Employee Amount, i.e., 25% of the PAGA Amount, by the Pay Periods of all PAGA Employees to yield the "PAGA Pay Period Value," and multiplied each PAGA Employee's individual Pay Periods by the Pay Period Value to yield each PAGA Employee's Individual PAGA Payment.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to PAGA Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks and Pay Periods (if applicable) Based on Defendant's Records

According to Defendant's records:

- **From January 12, 2020 through October 31, 2025 (i.e., the Class Period), you are credited as having worked [_____] Workweeks.**
- **From January 11, 2023 through October 31, 2025 (i.e., the PAGA Period), you are credited as having worked [_____] Pay Periods.**

If you wish to dispute the Workweeks and/or Pay Periods credited to you, you must submit your dispute in writing to the Settlement Administrator ("Dispute"). The Dispute must: (a) contain the case name and number of the Action (*Payne, et al. v. PDM Steel Service Centers, Inc.*, Case No. 24STCV00942); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) clearly state that you dispute the number of Workweeks and/or Pay Periods credited to you and what you contend is the correct number; and (d) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B below, postmarked **on or before [Response Deadline]**.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks and Pay Periods (if applicable) credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be $_____. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be $_____ and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs and all Settlement Class Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiffs, the State of California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims.

"Released Class Claims" means any and all claims which were alleged or which could have been reasonably alleged based on the factual allegations in the Operative Complaint, arising during the Class Period, which shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide accurate wage statements, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226, 226.2, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, the applicable Industrial Welfare Commission Wage Order, and California Business and Professions Code sections 17200, *et seq*.

"Released PAGA Claims" means any and all claims arising from any of the factual allegations in the PAGA Letter and the Operative Complaint, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq*., which shall specifically include claims for Defendant's alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments, timely pay wages during employment and upon termination, provide compliant wage statements, maintain complete and accurate payroll records, and reimburse necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204, 210, 226, 226.2, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Order.

"Released Parties" means Defendant and its current and former officers, directors, members, insurers, shareholders, subsidiaries, affiliates, predecessors, successors, and assigns.

E. Attorneys' Fees and Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount not to exceed thirty-five percent (35%) of the Gross Settlement Amount (i.e., $357,112.[70]) and reimbursement of litigation costs and expenses in an amount not to exceed Forty Thousand Dollars ($40,000) (collectively, "Attorneys' Fees and Costs"), subject to approval by the Court. The Attorneys' Fees and Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff, Class Members, and PAGA Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Enhancement Payments to Plaintiffs

Plaintiffs will seek the amount of Ten Thousand Dollars ($10,000) ("Enhancement Payment(s)") *each*, in recognition of their services in connection with the Action. The Enhancement Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, they will be paid to Plaintiffs in addition to their Individual Settlement Payment and Individual PAGA Payment that they may be entitled to under the Settlement.

G. Settlement Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Eight Thousand Dollars ($8,000) ("Settlement Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, Notices of Objection, and Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Class Settlement and receive money from the Class Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement and if the Court grants final approval of the Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims against the Released Parties as described in Section III.D above.

If you are a PAGA Employee and the Court grants final approval of the Settlement, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims against the Released Parties as described in Section III.D above.

As a Class Member and PAGA Employee (if applicable), you will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless you retain your own counsel, in which event you will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

Class Members may request to be excluded from the Class Settlement by submitting a letter ("Request for Exclusion") to the Settlement Administrator, at the following address:

[Settlement Administrator]
[Mailing Address]

A Request for Exclusion must: (a) contain the case name and number of the Action (*Payne, et al. v. PDM Steel Service Centers, Inc.*, Case No. 24STCV00942); (b) contain your full name, signature, address, telephone number, and last four (4) digits of your Social Security number; (c) clearly state that you do not wish to be included in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified address above, postmarked **on or before [Response Deadline]**.

If the Court grants final approval of the Settlement, any Class Member who submits a timely and valid Request for Exclusion will not be issued an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a timely and valid Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Class Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the Class Settlement as long as you have not submitted a Request for Exclusion by submitting a written objection ("Notice of Objection") to the Settlement Administrator.

The Notice of Objection must: (a) contain the case name and number of the Action (*Payne, et al. v. PDM Steel Service*

Centers, Inc., Case No. 24STCV00942); (b) contain your full name, signature, address, telephone number, and the last four (4) digits of your Social Security number; (c) contain a written statement of all grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified address listed in Section IV.B above, postmarked **on or before [Response Deadline]**.

You may also appear at the Final Approval Hearing and present your objection orally, regardless of whether you have submitted a Notice of Objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 12 of the Los Angeles County Superior Court, located at 312 North Spring Street, Los Angeles, California 90012, on [**date**], at [**time**], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Attorneys' Fees and Costs to Class Counsel, Enhancement Payment to Plaintiff, and Settlement Administration Costs to the Settlement Administrator.

The Final Approval Hearing may be continued without further notice to the Class Members and PAGA Employees. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers, which are on file with the Court.

You may view the Settlement Agreement and other documents filed in the Action by visiting the Stanley Mosk Courthouse at 111 North Hill Street, Los Angeles, California 90012, during normal business hours, or you may view documents online by visiting the following website: https://www.lacourt.org/casesummary/ui/

You may also visit the Settlement Administrator's website at _____ for key documents in the Action.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

EXHIBIT 4

Outlook

Thank you for your Proposed Settlement Submission

From no-reply@formassembly.com <no-reply@formassembly.com>
Date Tue 10/20/2026 10:40 AM
To Bany Funez <bfunez@blackstonepc.com>

[External Email].

10/20/2026 10:40:18 AM

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

Item submitted: Proposed Settlement

On 10/20/2026 10:40:18 AM your Proposed Settlement was successfully processed for case number LWDA-CM-1004452-24

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